

Notes to the Consolidated Financial Statements 綜合財務報表附註

(Amounts expressed in Hong Kong dollars)

(金額以港元列值)

1. General Information

Phoenix Satellite Television Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) engage in satellite television broadcasting activities.

The Company is a limited liability company incorporated in the Cayman Islands and domiciled in Hong Kong. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These consolidated financial statements were approved for issue by the Board of Directors on 7 March 2008.

2. Summary of Significant Accounting Policies

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

(a) Basis of preparation

The consolidated financial statements of Phoenix Satellite Television Holdings Limited have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants and applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

1. 一般資料

鳳凰衛視控股有限公司(「本公司»)及其附屬公司(統稱「本集團»)主要經營衛星電視廣播業務。

本公司為於開曼群島註冊成立及以香港為總部的有限公司。本公司的註冊辦事處為Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands。

本公司於香港聯合交易所有限公司(「聯交所»)創業板上市。

此等綜合財務報表已由董事會於二零零八年三月七日批准刊發。

2. 重要會計政策概要

以下為編製此等綜合財務報表所應用的主要會計政策。除另有說明外，此等政策已於所呈列的所有年度內得到貫徹應用。

(a) 編製基準

鳳凰衛視控股有限公司的綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則(「香港財務報告準則»)及香港公司條例的適用披露規定及聯交所創業板證券上市規則而編製。

本綜合財務報表乃按照歷史成本法編製，惟就重估按公平值透過損益記賬的財務資產作出調整。

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2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(a) Basis of preparation (continued)

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

(i) Standards, amendments to standards and interpretations effective in 2007

The following new standards, amendments to standards and interpretations are mandatory for the financial year ended 31 December 2007. The Group adopted those which are relevant to its operations.

- HKFRS 7, 'Financial instruments: Disclosures', and the complementary amendment to HKAS 1, 'Presentation of financial statements – Capital disclosures', introduces new disclosures relating to financial instruments and does not have any impact on the classification and valuation of the Group's financial instruments, or the disclosures relating to taxation and accounts payables.
- HK(IFRIC) – Int 8, 'Scope of HKFRS 2', requires consideration of transactions involving the issuance of equity instruments, where the identifiable consideration received is less than the fair value of the equity instruments issued in order to establish whether or not they fall within the scope of HKFRS 2. This standard does not have any impact on the Group's financial statements.

(a) 編製基準(續)

編製符合香港財務報告準則的財務報表需要運用若干重要的會計估計，亦同時需要管理層在採用本集團的會計政策過程中作出判斷。在綜合財務報表中涉及高度判斷或複雜程度的範疇，或有重要假設及估計的範疇乃於附註4披露。

(i) 於二零零七年生效的準則、準則的修訂及詮釋

下列新準則、準則之修訂及詮釋於截至二零零七年十二月三十一日止財政年度實行。本集團採納與其經營業務有關者。

- 香港財務報告準則第7號「財務工具：披露」，及香港會計準則第1號「財務報表的呈列－資本披露」的補充修訂，引入有關財務工具的新披露規定，惟並無對本集團財務工具的分類及估值，或有關稅項及應付賬款的披露規定產生任何影響。
- 香港(國際財務報告詮釋委員會)－詮釋第8號「香港財務報告準則第2號的範圍」，規定倘交易之代價涉及發行股本工具，而所收取的可識別代價低於所發行股本工具的公平值，則必需確定有關交易是否屬於香港財務報告準則第2號的範圍內。此項準則並無對本集團的財務報表產生任何影響。

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2. Summary of Significant Accounting Policies (continued)

(a) Basis of preparation (continued)

(i) Standards, amendments to standards and interpretations effective in 2007 (continued)

- HK(IFRIC) – Int 9, 'Reassessment of embedded derivatives', requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. Subsequent reassessment is prohibited unless there is a change in the terms of contract that significantly modifies the cash flows that otherwise would be required under the contract, in which case reassessment is required. As the Group's entities have not changed the terms of their contracts. This does not have any material impact on the Group's financial statements.
- HK(IFRIC) – Int 10, 'Interim financial reporting and impairment', prohibits the impairment losses recognised in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date. This standard does not have any impact on the Group's financial statements.

There is also a number of new standards, amendments to standards and interpretations issued that are not yet effective for the financial year ended 31 December 2007. The Group has carried out a preliminary assessment of these standards, amendments to standards and interpretations and considered that HKAS 23 (Revised), HK(IFRIC) – Int 11, HK(IFRIC) – Int 12, HK(IFRIC) – Int 13 and HK(IFRIC) – Int 14 may not have significant impact on the Group's results of operations and financial position but a detailed assessment is still being carried on. The Group is also in the process of assessing the impact of HKFRS 8.

2. 重要會計政策概要(續)

(a) 編製基準(續)

(i) 於二零零七年生效的準則、準則的修訂及詮釋(續)

- 香港(國際財務報告詮釋委員會) – 詮釋第9號「重新評估嵌入式衍生工具」, 規定實體在首次訂立合同的日期, 評估嵌入式衍生工具是否需要自主合約分離及視為衍生工具。除非在合同有所修改並嚴重影響現金流量時, 方需要進行重估, 否則不得進行重估。由於本集團的實體概無更改其合同, 故該詮釋對本集團的財務報告並無任何重大影響。
- 香港(國際財務報告詮釋委員會) – 詮釋第10號「中期財務報告及減值」, 規定於中期財務報表內就商譽、於股本工具的投資及於按成本列賬之財務資產的投資而確認的減值虧損不得於其後結算日予以回撥。此項準則並無對本集團的財務報表產生任何影響。

亦有部份新準則、準則之修訂及詮釋已刊發, 惟於截至二零零七年十二月三十一日止財政年度尚未生效。本集團已就該等準則、準則之修訂及詮釋進行初步評估, 並認為香港會計準則第23號(修訂)、香港(國際財務報告詮釋委員會) – 詮釋第11號、香港(國際財務報告詮釋委員會) – 詮釋第12號、香港(國際財務報告詮釋委員會) – 詮釋第13號及香港(國際財務報告詮釋委員會) – 詮釋第14號不會對本集團的經營業績及財務狀況產生重大影響, 惟詳細評估尚在進行中。本集團亦正在評估香港財務報告準則第8號的影響。

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2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(a) Basis of preparation (continued)

(ii) *Standards, amendments and interpretations effective in 2007 but not relevant*

The following standards, amendments and interpretations to published standards are mandatory for accounting periods beginning on or after 1 January 2007 but they are not relevant to the Group's operations:

- HKFRS 4, 'Insurance contracts'; and
- HK(IFRIC) – Int 7, 'Applying the restatement approach under HKAS 29, Financial reporting in hyper-inflationary economies'.

(iii) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group*

The following standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2008 or later periods, but the Group has not early adopted them:

- HKAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009). The amendment requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. The Group is in the process of assessing the impact of this impact, but it is not expected to have any material impact on the Group's consolidated financial statement as the Group does not have any borrowings.

(a) 編製基準(續)

(ii) 於二零零七年生效惟無關的準則、修訂及詮釋

以下準則、對已刊發準則之修訂及詮釋須於二零零七年一月一日或之後開始的會計期間實行，惟彼等與本集團的經營業務無關：

- 香港財務報告準則第4號「保險合約」；及
- 香港(國際財務報告詮釋委員會) – 詮釋第7號「根據香港會計準則第29號於極高通脹經濟地區中的財務報告應用重列法」。

(iii) 尚未生效及本集團並無提早採納的準則、對現有準則之修訂及詮釋

以下準則、對現有準則之修訂及詮釋已刊發，本集團須於二零零八年一月一日或之後開始的會計期間或較後期間實行，惟本集團並無提早採納：

- 香港會計準則第23號(修訂)「借貸成本」(由二零零九年一月一日起生效)。該修訂要求實體將收購、建造或生產合資格資產(指需要花費長時間方可達致擬定用途或出售之資產)直接應佔的借貸成本予以資本化，作為該項資產成本的一部份。即時列支該等借貸成本的選項將予以刪除。本集團正對此影響進行評估，惟由於本集團並無任何借貸，故預期不會對本集團之綜合財務報表產生任何重大影響。

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2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(a) Basis of preparation (continued)

(iii) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)*

- HKFRS 8, 'Operating segments' (effective from 1 January 2009). HKFRS 8 replaces HKAS 14 and aligns segment reporting with the requirements of the US standard SFAS 131, 'Disclosures about segments of an enterprise and related information'. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The Group will apply HKFRS 8 from 1 January 2009. The expected impact is still being assessed in detail by management, but it appears likely that the number of reportable segments, as well as the manner in which the segments are reported, will change in a manner that is consistent with the internal reporting provided to the chief operating decision-maker.
- HK(IFRIC) – Int 11, 'HKFRS 2 – Group and treasury share transactions' (effective from 1 March 2007). HK(IFRIC) – Int 11 provides guidance on whether share-based transactions involving treasury shares or involving Group entities (for example, options over a parent's shares) should be accounted for as equity-settled or cash-settled share-based payment transactions in the stand-alone accounts of the parent and Group companies. The Group is in the process of assessing the impact of this interpretation, but it is not expected to have any material impact on the Group's consolidated financial statements.

(a) 編製基準(續)

(iii) *尚未生效及本集團並無提早採納的準則、對現有準則之修訂及詮釋(續)*

- 香港財務報告準則第8號「經營分類」(由二零零九年一月一日起生效)。香港財務報告準則第8號取代香港會計準則第14號，並將分類申報方式符合美國財務會計準則(US Standard SFAS)第131號「企業及相關資料之分類披露」之規定。新準則採用「管理方針」，據此，分類資料按與內部申報目的所採用者相同的基準呈列。本集團將由二零零九年一月一日起應用香港財務報告準則第8號。管理層仍在詳細評估預期影響，但看來很可能可申報分類之數目及所申報分類之方式將按與提供予主要實體決策者之內部申報相一致之方式作出變更。
- 香港(國際財務報告詮釋委員會)–詮釋第11號「香港財務報告準則第2號–集團及庫務股份交易」(由二零零七年三月一日起生效)。香港(國際財務報告詮釋委員會)–詮釋第11號提供指引，內容有關涉及庫務股份或涉及集團實體(例如母公司股份之購股權)之以股份為基礎的交易是否應於母公司及集團公司之獨立賬目內入賬列為以權益結算或以現金結算之以股份為基礎的交易。本集團正對此影響進行評估，惟預期不會對本集團之綜合財務報表產生任何重大影響。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(a) Basis of preparation (continued)

(iii) *Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group (continued)*

- HK(IFRIC) – Int 14, 'HKAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction' (effective from 1 January 2008). HK(IFRIC) – Int 14 provides guidance on assessing the limit in HKAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. The Group will apply HK(IFRIC) – Int 14 from 1 January 2008, but it is not expected to have any impact on the Group's accounts.

(iv) *Interpretations to existing standards that are not yet effective and not relevant for the Group's operations*

The following interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2008 or later periods but are not relevant for the Group's operations:

- HK(IFRIC) – Int 12, 'Service concession arrangements' (effective from 1 January 2008). HK(IFRIC) – Int 12 applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. HK(IFRIC) – Int 12 is not relevant to the Group's operations because none of the Group's companies provide public sector services.

(a) 編製基準(續)

(iii) *尚未生效及本集團並無提早採納的準則、對現有準則之修訂及詮釋(續)*

- 香港(國際財務報告詮釋委員會) – 詮釋第14號「香港會計準則第19號 – 界定福利資產的限制、最低資金要求及其相互關係」(由二零零八年一月一日起生效)。香港(國際財務報告詮釋委員會) – 詮釋第14號就評估香港會計準則第19號有關可確認為資產的盈餘金額限制而提供指引。此項詮釋亦解釋退休金資產或負債如何受法定或合約最低資金需求影響。本集團將由二零零八年一月一日起應用香港(國際財務報告詮釋委員會) – 詮釋第14號,但預計其將不會對本集團的財務報表造成任何影響。

(iv) *尚未生效及與本集團的經營業務無關的對現有準則之詮釋*

以下對現有準則之詮釋已刊發,本集團須於二零零八年一月一日或之後開始的會計期間或較後期間實行,惟與本集團的經營業務無關:

- 香港(國際財務報告詮釋委員會) – 詮釋第12號「服務優惠安排」(由二零零八年一月一日起生效)。香港(國際財務報告詮釋委員會) – 詮釋第12號適用於私人營運商參與公共服務基建之發展、融資、營運及維護之合約安排。由於本集團旗下各公司並無提供公共服務,因此香港(國際財務報告詮釋委員會) – 詮釋第12號與本集團的經營業務無關。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(a) Basis of preparation (continued)

(iv) *Interpretations to existing standards that are not yet effective and not relevant for the Group's operations (continued)*

- HK(IFRIC) – Int 13, 'Customer loyalty programmes' (effective from 1 July 2008). HK(IFRIC) – Int 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement and the consideration receivable from the customer is allocated between the components of the arrangement using fair values. HK(IFRIC) – Int 13 is not relevant to the Group's operations because none of the Group's companies operate any loyalty programmes.

(b) Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31 December.

(i) *Subsidiaries*

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

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

(a) 編製基準(續)

(iv) *尚未生效及與本集團的經營業務無關的對現有準則之詮釋(續)*

- 香港(國際財務報告詮釋委員會)–詮釋第13號「客戶忠誠計劃」(由二零零八年七月一日起生效)。香港(國際財務報告詮釋委員會)–詮釋第13號訂明出售貨品或服務連同客戶忠誠獎勵(例如積分或贈品),此安排屬於多元安排,而應收客戶的代價乃根據安排之交付項目按公平值分配。由於本集團旗下各公司並無經營任何忠誠計劃,因此香港(國際財務報告詮釋委員會)–詮釋第13號與本集團的經營業務無關。

(b) 綜合

綜合財務報表包括本公司及其所有附屬公司截至十二月三十一日止的財務報表。

(i) *附屬公司*

附屬公司乃指本集團有權規管其財務及營運政策並通常指控制一半以上投票權的所有實體(包括特別目的實體)。當評估本集團是否控制另一實體時,須考慮現時可行使或可轉換的潛在投票權的存在及影響。

附屬公司乃自其控制權轉移至本集團之日期起全數綜合,並自控制權終止日期起解除綜合。

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2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(b) Consolidation (continued)

(i) Subsidiaries (continued)

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

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet the investments in subsidiaries and amount due from a subsidiary are stated at cost less provision for impairment losses. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(b) 綜合(續)

(i) 附屬公司(續)

本集團採用收購會計法為本集團所收購的附屬公司列賬。收購成本為交易當日所指資產的公平值、所發行的股本工具及所發生或承擔之負債，加上直接歸屬於收購事項的成本。在商業合併過程中所收購之可辨別資產、所承擔之負債及或然負債，均於收購當日按其公平值作出初步計量，而毋須計及任何少數股東權益。收購成本超出本集團應佔所收購之可辨別淨資產公平值之差額乃列作商譽。倘收購成本低於本集團應佔所收購附屬公司之可辨別淨資產公平值，則有關差額將直接在收益表內確認。

公司間交易、餘額及集團內公司間交易的未實現收益乃予以對銷。未實現虧損亦予以抵銷，除非交易可提供證據證明轉移資產之減值則作別論。對附屬公司的會計政策已作出必要調整，以確保與本集團所採用之會計政策一致。

於本公司的資產負債表中，於附屬公司的投資及應收附屬公司款項乃按成本扣除減值虧損撥備列賬。本公司根據已收及應收股息計算附屬公司的業績。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(b) Consolidation (continued)

(ii) Transactions and minority interests

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests result in gains and losses for the Group that are recorded in the consolidated income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

(iii) Jointly controlled entities

The Group's interests in jointly controlled entities are accounted for by the equity method of accounting and are initially recognised at cost.

The Group's share of its jointly controlled entities' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a jointly controlled entity equals or exceeds its interest in the jointly controlled entity, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the jointly controlled entity.

Unrealised gains on transactions between the Group and its jointly controlled entities are eliminated to the extent of the Group's interest in the jointly controlled entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of jointly controlled entities have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses in jointly controlled entities are recognised in the consolidated income statement.

(b) 綜合(續)

(ii) 交易及少數股東權益

本集團採取之政策是視與少數權益股東之交易為與本集團外界人士之交易。向少數權益股東進行出售而導致本集團產生之盈虧於綜合收益表入賬。向少數權益股東進行之購買會導致商譽，即任何已付代價與有關應佔所收購附屬公司資產淨值之賬面值兩者之差額。

(iii) 共同控制實體

本集團於共同控制實體的權益按權益會計法計算並初步按成本確認。

本集團攤佔共同控制實體的收購後損益於收益表內確認，本集團應佔收購後的儲備變動於儲備內確認。累計收購後變動乃按投資的賬面值作出調整。當本集團應佔共同控制實體的虧損相等於或超過其於共同控制實體的權益(包括任何其他未擔保應收款項)時，本集團並不確認進一步虧損，除非發生負債或代表共同控制實體支付款項則作別論。

本集團與其共同控制實體之間交易而產生之未變現收益在本集團於共同控制實體之權益範圍內對銷。未變現虧損亦予以對銷，除非交易提供證據證明轉移資產之減值則作別論。共同控制實體之會計政策已作出必要調整，以確保與本集團所採用之政策一致。

於共同控制實體的攤薄盈虧乃於綜合收益表內確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(c) Segment reporting

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

(d) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in the available-for-sale reserve in equity.

(c) 分類報告

業務分類指從事提供產品或服務的一組資產及業務，而該組資產及業務的風險及回報有別於其他業務分類。地區分類乃在某一特定經濟環境下從事提供產品或服務，而該分類的風險及回報有別於在其他經濟環境經營的分類。

(d) 外幣換算

(i) 功能及呈報貨幣

本集團各實體之財務報表所包括之項目，乃按該實體經營所在之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表以港元呈列，而港元為本公司之功能及呈報貨幣。

(ii) 交易及結餘

外幣交易均按交易當日之現行匯率換算為功能貨幣。因上述交易結算及按結算日之匯率兌換以外幣計值之貨幣資產及負債而產生之匯兌損益，均於收益表確認。

非貨幣性財務資產及負債的換算差額乃呈報列為公平值損益一部份。有關非貨幣性財務資產及負債（如按公平值持有並在損益賬處理的股本）的換算差額均於損益賬確認為公平值損益一部份。有關非貨幣性財務資產（如分類為可供銷售的股本）均計入權益中可供銷售儲備內。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(d) Foreign currency translation (continued)

(iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

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

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

The functional currency of the jointly controlled entities in which the Group has invested is the Renminbi. The Group's investment in the net assets of the jointly controlled entities are translated at the closing rate at the date of the balance sheet. The Group's share of losses of the jointly controlled entities are translated at the average exchange rates for equity accounting purposes. All resulting exchange differences are recognised as a separate component of equity.

(d) 外幣換算(續)

(iii) 集團公司

功能貨幣與呈列貨幣不同的所有集團實體(各實體均無極高通脹經濟地區的貨幣)的業績及財務狀況乃按以下方法換算為呈列貨幣:

- (a) 每份資產負債表所呈列的資產及負債按該資產負債表之結算日之收市匯率換算;
- (b) 每份收益表之收入及支出項目按平均匯率換算(除非該平均匯率對交易日現行匯率之累計影響並非是一個合理的接近匯率,在此情況下收入及支出乃用交易日的匯率換算);及
- (c) 所導致的一切匯兌差額乃確認為權益的獨立一項。

於綜合賬目時,換算海外業務投資淨額時產生的匯兌差額乃列入權益內。當海外業務被部份出讓或售出時,列入權益內的匯兌差額乃於收益表中確認為出售損益一部份。

本集團所投資的共同控制實體的功能貨幣為人民幣。本集團於共同控制實體資產淨值的投資乃按結算日的收市匯率進行換算。本集團攤佔共同控制實體的虧損乃按權益入賬的平均匯率進行換算。所導致的一切匯兌差額均確認為權益的獨立一項。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(e) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

No depreciation is provided on assets under construction until they are completed and are available for use. Depreciation of other property, plant and equipment is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives, as follows:

Buildings	2.22% – 3.33%
Leasehold improvements	15% or over the terms of the leases
Furniture and fixtures	15% – 20%
Broadcast operations and other equipment	20%
Motor vehicles	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2(i)).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

(e) 物業、廠房及設備

物業、廠房及設備乃按歷史成本扣除折舊及減值虧損後列賬。歷史成本包括收購該等項目直接應佔的開支。

僅當項目有關之未來經濟利益有可能流入本集團及項目成本能可靠計量時，其後成本方計入資產賬面值或確認為另外一項資產(如適用)。所有其他維修及維護則於產生的財政期間內在收益表扣除。

在建資產於其完成及可使用之前不會計提折舊。其他物業、廠房及設備之折舊乃使用直線法計算，就彼等之剩餘價值於估計可使用年限內分配如下：

樓宇	2.22% – 3.33%
租賃物業裝修	15% 或按租約年期
傢俬及裝置	15% – 20%
廣播營運及其他設備	20%
汽車	20%

於每個結算日，資產之剩餘價值及可使用年限均會審閱，並於適當情況下作出調整。

倘某項資產的賬面值大於其估計可收回金額(附註2(i))，該資產之賬面值將即時撇減至其可收回金額。

出售損益乃在將所得款項與賬面值作比較後釐定，並於收益表確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要 (續)

(f) Club debentures

Acquired club debentures are intangible assets with an infinite useful life. They are therefore shown at historical cost and are not amortised. Impairment assessments on club debentures are carried out by comparing their recoverable amounts with their carrying amounts annually and whenever there is an indication that the intangible assets may be impaired.

(g) Purchased programme and film rights

Purchased programme and film rights are recorded at cost less accumulated amortisation and any impairment losses. The cost of purchased programme and film rights is expensed in the income statement either on the first and second showing of such purchased programme and film rights or amortised over the license period if the license allows multiple showings within the license period.

Purchased programme and film rights with a remaining license period of 12 months or less are classified as current assets.

(h) Self-produced programmes

Self-produced programmes are stated at cost less any impairment losses. Cost comprises direct production expenditures and an appropriate portion of production overheads. Programmes in production that are abandoned are written off in the income statement immediately, or when the revenue to be generated by these programmes is determined to be lower than cost, the cost is written down to recoverable amount. Completed programmes will be broadcast over a short period of time and their costs are expensed in the income statement in accordance with a formula computed to write off the cost over the broadcast period.

(f) 會所債券

所收購之會所債券為無形資產，擁有無限可使用年期，因而其乃按歷史成本列賬且不予攤銷。有關會所債券之減值乃每年透過將彼等之可回收金額與彼等之賬面值作比較進行評估，而不論無形資產是否可能出現減值跡象。

(g) 購入節目及電影版權

購入節目及電影版權乃按成本扣除累計攤銷及任何減值虧損列賬。購入節目及電影版權成本於該等購入節目及電影版權首次及第二次播映時在收益表記賬，或根據版權規定，如可在版權限期內播映多次，則在該版權限期內攤銷。

餘下許可期為十二個月或以下的購入節目及電影版權列作流動資產。

(h) 自製節目

自製節目乃按成本扣除任何減值虧損列賬。成本包括直接製作支出及適當比例的製作費用。製作中遭放棄的節目將即時於收益表內撇銷，或倘此等節目可賺取之收益低於成本，則將成本撇減至可收回金額。已完成節目將於短期內播映，而所產生之成本將會按公式計算並記入收益表，以撇銷播放期間之成本。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(i) Impairment of investments in subsidiaries, jointly controlled entities and non-financial assets

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

(j) Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivable and available-for-sale. The classification depends on the purposes for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

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

This category has financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current if the remaining period to maturity is less than 12 months after the balance sheet date.

(i) 於附屬公司、共同控制實體及非財務資產的投資減值

擁有不確定可使用年限或尚未能使用的資產均不會予以攤銷，惟會每年作減值測試。當出現事件或情況改變顯示未必能收回賬面值，則會檢討攤銷資產之減值。減值虧損按資產賬面值超過其可收回金額（即資產公平值減出售成本與使用價值兩者之較高者）之差額確認。就評估減值而言，資產按可獨立分辨現金流量之最低水平（現金產生單位）分類。遭受減值之資產（商譽除外）會於每個申報日期檢討是否可作出減值回撥。

(j) 財務資產

本集團將其財務資產分類為以下類別：按公平值列賬並在損益賬處理、貸款及應收款項以及可供銷售。分類方法乃視乎收購財務資產之目的而定。管理層會於初次確認時釐定其財務資產之分類。

(i) *按公平值透過損益記賬的財務資產*

此類別有持作買賣的財務資產，以及最初按公平值列賬並在損益賬處理的財務資產。如所收購資產主要是為了在短期內出售或如管理層指定為此類別，財務資產乃劃分為此類別。除非衍生工具乃指定為對沖項目，否則衍生工具亦分類為持作買賣。倘於結算日後之餘下到期期間少於十二個月，則此類別之資產均分類為流動資產。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(j) Financial assets (continued)

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. Loans and receivables are also included in accounts receivable, and prepayments, deposits and other receivables in the balance sheet.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Available-for-sale financial assets represented unlisted securities of private issuers outside Hong Kong.

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets are subsequently carried at cost as these securities have no quoted market price in an active market and their fair values cannot be reliably measured. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

(j) 財務資產(續)

(ii) 貸款及應收款項

貸款及應收款項乃具有固定或可確定付款金額且不會在活躍市場報價的非衍生財務資產。此等項目乃計入流動資產內，但由結算日起計十二個月後方到期的資產則劃分為非流動資產。貸款及應收款項亦計入資產負債表的應收賬款以及預付款項、按金及其他應收款項內。

(iii) 可供銷售財務資產

可供銷售財務資產乃指定為此類別或並無分類為任何其他類別之非衍生工具。除非管理層擬於結算日起計十二個月內出售可供銷售財務資產，否則該項投資乃計入非流動資產。可供銷售財務資產指香港境外私人發行者的非上市證券。

財務資產的定期收購及出售均於交易日(即本集團承諾收購或出售該資產當日)確認。所有並非按公平值列賬並在損益賬處理的財務資產的投資項目初步按公平值加上交易成本確認。按公平值列賬並在損益賬處理的財務資產乃初步按公平值確認，而交易成本則於收益表記賬。當從投資項目收取現金流量的權利已到期或已被轉讓，且本集團已大致上將擁有權的所有風險和回報轉移，則會解除確認財務資產。由於可供銷售財務資產於活躍市場上並無市場報價且其公平值無法可靠計量，故此等證券其後按成本列賬。按公平值透過損益記賬的財務資產其後按公平值列賬。貸款及應收款項均採用實際利息法按經攤銷成本列賬。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(j) Financial assets (continued)

(iii) Available-for-sale financial assets (continued)

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'other gains – net', in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the Group's right to receive payments is established.

The fair value of quoted investments are based on current bid prices. If the market for a financial asset carried at fair value is not active (and for unlisted securities), the Group established fair value by using valuation techniques feasible to the Group. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, indicative market values obtained from reputable financial institutions, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets are impaired. Impairment testing of loans and receivables, accounts receivable, and prepayments, deposits and other receivables is described in Note 2(l).

(j) 財務資產(續)

(iii) 可供銷售財務資產(續)

按公平值透過損益記賬的財務資產，如其公平值出現變動，所產生的損益均於產生期內列入收益表的「其他收益淨額」項下。按公平值透過損益記賬的財務資產的股息收入乃當本集團收取款項之權利確定時於收益表確認為其他收入的一部份。

所報投資項目的公平值乃根據當前買價計算。倘若按公平值列賬的財務資產的市場不活躍（及就非上市證券而言），本集團會採用對本集團可行之估值技術確定公平值，此等估值技術包括採用近期按公平原則進行之交易、參考其他大致相同之工具、從知名財務機構獲取之指示市場價值、現金流量貼現分析及期權定價模式，並最大限度地採用市場資訊，而盡可能不依賴特定實體資訊。

本集團會於每個結算日評估財務資產或一組財務資產有無出現減值的客觀證據。貸款及應收款項、應收賬款與預付款項、按金及其他應收款項的減值測試乃載述於附註2(l)。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued)

(k) Inventories

Inventories, comprising decoder devices and satellite receivers, are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of inventories comprises all costs of purchase, costs of conversion 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 applicable variable selling expenses.

(l) Loans and receivables, accounts receivable, and prepayments, deposits and other receivables

Loans and receivables, accounts receivable, and prepayments, deposits and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is established when there is objective evidence that the Group will not be able to collect or realise all amounts due according to the original terms of the assets. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the asset is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within selling, general and administration expenses. When an accounts receivable is determined to be uncollectible, it is written off against the allowance account for accounts receivable. Subsequent recoveries of amounts previously written off are credited against selling, general and administration expenses in the income statement.

2. 重要會計政策概要(續)

(k) 存貨

存貨，包括解碼器器材及衛星接收器，乃按成本值與可變現淨值兩者中較低者列賬。成本值乃按先進先出原則釐定。存貨成本包括所有購買成本，加工成本及為把存貨達致現有場所及狀況而產生的其他成本。可變現淨值則指日常業務過程中之估計售價減去適用之可變銷售費用。

(l) 貸款及應收款項、應收賬款與預付款項、按金及其他應收款項

貸款及應收款項、應收賬款與預付款項、按金及其他應收款項初步按公平值確認，其後則以實際利息法按經攤銷成本計算，並扣除減值撥備。如有客觀證據顯示本集團將無法按照應收款的原來條款收取或變現所有欠款，則須作出減值撥備。交易對手出現重大財務困境、交易對手可能遭受破產或進行財務重組，以及拖欠還款均被視為資產已減值。撥備金額為資產賬面值與估計未來現金流量按原實際利率折算之現值兩者的差額。資產之賬面值乃透過使用備抵賬而扣減，而虧損金額於收益表確認，並計入銷售、一般及行政費用內。當可收回金額乃釐定不可收回時，則於應收賬款之備抵賬內撇銷。先前所撇銷款額之其後收回數乃記入收益表內銷售、一般及行政費用項下。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(m) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

(n) Deferred income

Deferred income represents advertising revenue, subscription revenue and promotion service revenue received in advance from third party customers.

(o) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(p) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

(m) 現金及現金等值項目

現金及現金等值項目包括手頭現金、銀行定期存款，及由投資當日起計到期日為三個月或以下的其他短期高流動投資。

(n) 遞延收入

遞延收入乃指自第三方客戶預先收取的廣告收入、收視費收入及宣傳服務收入。

(o) 股本

普通股分類為權益。發行新股份或購股權直接應佔的增量成本，列入權益作為所得款項的減值(扣除稅項)。

(p) 遞延所得稅

遞延所得稅以負債法就資產及負債之稅基與其在綜合財務報表中所列賬面值之間之暫時差額作出全數撥備。然而，如遞延所得稅乃源自業務合併以外的交易中初步確認資產或負債，而在交易時並不影響會計或應課稅溢利或虧損，則不會入賬處理。當有關遞延所得稅資產已變現或遞延所得稅負債已結算時，遞延所得稅以於結算日前已制定或大致上已制定及預期獲應用之稅率(及法例)釐定。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued)

(p) Deferred income tax (continued)

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

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and jointly controlled entities, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

(q) Employee benefits

(i) Employee leave entitlements

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

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

(ii) Bonus plans

The expected bonus payments are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for bonus plans are expected to be settled within 12 months and are measured at the amounts expected to be paid when they are settled.

2. 重要會計政策概要(續)

(p) 遞延所得稅(續)

倘日後應課稅溢利可用於抵銷能夠被動用之暫時差額，則會確認遞延所得稅資產。

除撥回暫時差額之時間可受本集團控制，而暫時差額不會於可預見將來撥回外，本集團將就於附屬公司及共同控制實體之投資所產生之暫時差額計提遞延所得稅撥備。

(q) 僱員福利

(i) 僱員應享假期

僱員享有的年假在歸僱員應享有時確認。本集團為截至結算日止僱員已提供之服務而產生年假的估計負債作出撥備。

僱員的病假及產假或陪分娩假不作確認，直至僱員正式休假為止。

(ii) 花紅計劃

預期支付的花紅乃於本集團須承擔因僱員所提供服務而產生的現有法定或推定性責任，並在可合理估計有關責任的金額時確認為負債。

花紅計劃的負債預期將於十二個月內償還，並根據在償付時預期會支付的金額計算。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(q) Employee benefits (continued)

(iii) Pension obligations

The Group operates defined contribution retirement schemes for the Hong Kong employees based on local laws and regulations. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit schemes' costs expensed in the income statement represent contributions paid or payable by the Group to the funds.

The Group's contributions to the defined contribution retirement schemes are expensed as incurred and are reduced by contributions forfeited by those employees who leave the schemes prior to vesting fully in the contributions. The assets of the schemes are held separately from those of the Group in independently administered funds.

Pursuant to the relevant local regulations of the countries where the overseas subsidiaries of the Group are located, these subsidiaries participate in respective government retirement benefit schemes and/or set up their own retirement benefit schemes (the "Schemes") whereby they are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated either based on certain percentages of the applicable payroll costs or fixed sums for each employee with reference to a salary scale, as stipulated under the requirements in the respective countries. The Group has no further obligation beyond the required contributions. The contributions under the Schemes are expensed in the income statement as incurred.

(q) 僱員福利(續)

(iii) 退休金責任

本集團根據當地法例及規例，為香港僱員管理定額供款退休計劃。本集團及僱員向計劃作出的供款乃根據僱員的基本薪酬的某一百分比計算。於收益表記賬的退休福利計劃成本乃指本集團已付或應付予基金的供款。

本集團向定額供款退休計劃作出的供款乃於產生時列作開支，並以全數取得供款前離開計劃的該等僱員的被沒收供款扣減。計劃的資產乃與本集團的資產分開及以獨立管理的基金持有。

根據本集團海外附屬公司所在國家的當地有關規例，此等附屬公司參與各自的政府退休福利計劃及／或自行設立退休福利計劃（「有關計劃」），據此有關附屬公司須向有關計劃為合資格僱員的退休福利作出供款。向有關計劃作出的供款乃按各國所規定根據適用薪金成本的若干百分比或參照薪級表後按每名僱員以固定金額計算。除所須供款外，本集團並無進一步供款責任。根據有關計劃作出的供款於產生時於收益表確認記賬。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(q) Employee benefits (continued)

(iv) Share-based compensation

The fair value of the employee services received in exchange for the grant of share options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the Company revises its estimates of the number of share options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period. When the share options are exercised, the proceeds received net of any transaction costs are credited to share capital (nominal value) and share premium account.

(r) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

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

(q) 僱員福利(續)

(iv) 以股份支付的補償

本集團就授出購股權而取得之僱員服務公平值乃確認作費用。購股權歸屬期間支銷之總額乃參考已授出購股權之公平值而釐定，惟不計及任何非市場歸屬情況之影響(例如盈利能力及銷售增長目標)。非市場歸屬條件包括於預期可予行使之購股權數目之假設內。於各結算日，本公司會修改其估計預期可予行使之購股權之數目。修改原來估計數字如有影響，則於收益表內確認，以及在餘下歸屬期間對權益作相應調整。當購股權獲行使時，收取之所得款項於扣除任何交易成本後計入股本(面值)及股份溢價賬。

(r) 撥備

當由於過往事件導致本集團承擔現時法律或推定責任，而該責任很可能導致資源流出，且流出金額可合理地估計時，撥備乃予以確認。並不會就未來經營虧損而確認撥備。

倘出現多項類似債務，會否導致經濟利益流出以清償債務乃經考慮債務之整體類別後確定。即使同類別債務中任何一項可能流出經濟利益的機會不大，仍會確認撥備。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(r) Provisions (continued)

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

(s) Revenue recognition

Revenue mainly represents income from advertising sales, net of the related agency commission expenses, and subscription sales after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised as follows:

- (i) *Broadcasting advertising revenue*
Broadcasting advertising revenue, net of agency commission expenses, is recognised upon the broadcast of advertisements.
- (ii) *Subscription revenue*
Subscription revenue received or receivable from the cable distributors or agents is amortised on a time proportion basis to the income statement. The unamortised portion is classified as deferred income.

(r) 撥備(續)

撥備乃使用稅前折扣率按預期需要清償債務之支出的現值計算，而稅前折扣率反映當前市場對貨幣時間價值及債務特定風險的評估。隨著時間推移而導致之撥備增加乃確認為利息費用。

(s) 收入確認

收入主要來自廣告銷售收入(扣除有關之代理商佣金費用)及收視費收入(已經對銷集團內部銷售)。

本集團收入確認之標準為當所收金額能可靠計量及未來經濟利益將流入本集團，而本集團各業務之收入確認特定標準已於下文載述。在所有與銷售有關之或然事件獲議決之前，並不認為收入金額能可靠計量。本集團乃根據其過往業績進行估算，並考慮客戶類別、交易類型及各安排之特別細節。

收入確認如下：

- (i) *廣播廣告收入*
廣播廣告收入扣除代理商佣金費用後於有關廣告播出時確認。
- (ii) *收視費收入*
已收或應收有線電視分銷商或代理商的收視費收入乃依照時間比例於收益表內攤銷。未予攤銷的部份列作遞延收入。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(s) Revenue recognition (continued)

(iii) Magazine advertising revenue

Magazine advertising revenue net of commission expense is recognised when the magazine is published.

(iv) Magazine subscription/circulation revenue

Magazine subscription or circulation revenue represents subscription or circulation money received or receivable from customers and is recognised when the respective magazine is dispatched or sold.

(v) Sales of decoder devices and satellite receivers

Revenue from sales of decoder devices and satellite receivers is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title has passed.

(vi) Technical services income

Revenue from the provision of technical services is recognised when the value-added telecommunication services are provided/delivered to customers.

(vii) Interest income and income from certificate of deposit

Interest income from bank deposits and income from certificate of deposit are recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

(viii) Barter revenue

Barter revenue is recognised at the fair value of goods or services received or receivable in the transaction upon the broadcast of advertisements, the publishing of the magazine or the provision of promotion services to be provided by the Group in the barter transaction.

(s) 收入確認(續)

(iii) 雜誌廣告收入

雜誌廣告收入扣除佣金費用後於雜誌出版時確認。

(iv) 雜誌訂購/發行收入

雜誌訂購或發行收入指已收或應收客戶訂購或發行款項，並於個別雜誌寄發或出售時確認。

(v) 解碼器器材及衛星接收器銷售

來自解碼器器材及衛星接收器銷售的收入乃於擁有權的風險及回報轉移時確認，時間大致上與貨品交付客戶及所有權轉移時相同。

(vi) 技術服務收入

提供技術服務的收入乃於向客戶提供/交付電訊增值服務時確認。

(vii) 利息收入及存款證收入

銀行存款利息收入及存款證收入採用實際利息法按時間比例基準進行確認。倘應收款出現減值，本集團會將賬面值減至其按有關工具的原有實際利率貼現之估計未來現金流量而設定之可收回款額，並繼續解除貼現作為利息收入。

(viii) 易貨收入

易貨收入乃於本集團在易貨交易中作出廣告播出、出版雜誌或提供宣傳服務時，按交易中已收或應收貨品或服務的公平值確認。

Notes to the Consolidated Financial Statements 綜合財務報表附註

2. Summary of Significant Accounting Policies (continued) 2. 重要會計政策概要(續)

(t) Leases

(i) Operating leases

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

The up-front prepayments made for land use rights are amortised on a straight-line basis over the period of the lease, or where there is impairment, the impairment is expensed in the income statement.

(ii) Finance leases

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

(u) Dividend distribution

Dividend distribution to the Company's equity holders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's equity holders.

(t) 租賃

(i) 經營租賃

由出租人保留所有權大部份風險及回報的租賃均分類為經營租賃。根據經營租賃支付的款額(扣除自出租人收取的任何獎金)乃按租賃期以直線法在收益表中支銷。

就土地使用權而支付的預付款項乃按租賃期以直線法攤銷,或倘出現減值,則有關減值在收益表中支銷。

(ii) 融資租賃

本集團租賃若干物業、廠房及設備。由本集團擁有所有權絕大部份風險及回報的物業、廠房及設備的租賃均分類為融資租賃。融資租賃乃於開始租賃時按所租物業之公平值與最低租賃款項之現值兩者中的較低者予以資本化。根據融資租賃購入之物業、廠房及設備乃按該項資產的可使用年期及租賃期兩者中的較短者予以折舊。

(u) 股息分派

向本公司權益持有人作出的股息分派於股息獲本公司權益持有人批准的期間內在本集團財務報表內確認為負債。

Notes to the Consolidated Financial Statements 綜合財務報表附註

3. Financial Risk Management

(a) Financial risk factors

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

Risk management is mainly carried out by the finance department (the "Finance Department") headed by the Chief Financial Officer of the Group. The Finance Department identifies and evaluates financial risks in close co-operation with the Group's operating units to cope with overall risk management, as well as specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity.

(i) Market risk

(a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Renminbi ("RMB"), US dollar ("US\$") and UK pound. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Group engage in transactions mainly in HK dollar ("HK\$"), RMB and US\$ to the extent possible. The Group currently does not hedge transactions undertaken in foreign currencies but manages its exposure through constant monitoring to limit as much as possible the amount of its foreign currencies exposures. Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The Finance Department is responsible for monitoring and managing the net position in each foreign currency.

3. 財務風險管理

(a) 財務風險因素

本集團之業務須面對不同財務風險：市場風險（包括外匯風險、公平值利率風險及價格風險）、信貸風險、流動資金風險及現金流量利率風險。本集團的整體風險管理程式主要針對金融市場之不可預測性並尋求將其對本集團財務表現之潛在不利影響降至最低。

風險管理主要由本集團財務總監領導的財務部門（「財務部門」）執行。財務部門在與本集團運營單位緊密合作，使用衍生財務工具及非衍生財務工具處理整體風險管理以及特定領域（如外匯風險、利率風險、信貸風險）過程中確定及評估財務風險，及投資剩餘流動資金。

(i) 市場風險

(a) 外匯風險

由於本集團乃國際運營，故須面對不同貨幣（主要為人民幣（「人民幣」）、美元（「美元」）及英鎊）所產生之外匯風險。外匯風險源自日後商業交易、已確認資產與負債，及於海外經營業務之投資淨額。

為管理日後商業交易及已確認資產與負債產生之外匯風險，本集團內實體進行之交易主要以港元（「港元」）、人民幣及美元計值（倘可能）。本集團現時並無對外幣進行對沖交易，惟透過定期監察管理其風險，以盡可能降低其外幣風險的金額。當日後商業交易及已確認資產與負債乃以實體功能貨幣以外之貨幣計價時，則會產生外匯風險。財務部門負責監督及管理每種外幣之風險狀況。

Notes to the Consolidated Financial Statements 綜合財務報表附註

3. Financial Risk Management (continued)

(a) Financial risk factors (continued)

(i) Market risk (continued)

(a) Foreign exchange risk (continued)

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's operations, such as those in the People's Republic of China (the "PRC"), the United Kingdom and the United States is managed primarily through operating liabilities denominated in the relevant foreign currencies.

During the year ended 31 December 2007, if HK\$ had weakened/strengthened by 6% against the RMB, with all other variables held constant, after-tax profit for the year would have been HK\$24,640,000 (2006: HK\$21,898,000), lower or higher, mainly as a result of foreign exchange losses/gains on translation of RMB-denominated accounts receivable and receivables from an advertising agent, Shenzhou. Profit is more sensitive to movement in HK\$/RMB exchange rates in 2007 than 2006 because of the increased amount of RMB-denominated receivables. At 31 December 2007, if HK\$ had weakened/strengthened by 6% against the RMB, equity would have been HK\$7,136,000 (2006: HK\$6,013,000), lower or higher, arising mainly from foreign exchange losses/gains on translation of PRC subsidiaries' equity denominated in RMB. Equity is more sensitive to movement in HK\$/RMB exchange rates in 2007 than in 2006 because of the increased amount of PRC subsidiaries' equity denominated in RMB.

At 31 December 2007, certain of the assets of the Group are denominated in US\$. The Group also had operations in the United States. Since HK\$ is pegged to US\$, foreign exchange exposure with respect to the US\$ denominated asset or its operations in the United States is considered as minimal.

3. 財務風險管理(續)

(a) 財務風險因素(續)

(i) 市場風險(續)

(a) 外匯風險(續)

本集團有若干於海外經營業務之投資，其淨資產須承受外幣匯兌風險。本集團經營業務之淨資產產生之貨幣風險，如於中華人民共和國（「中國」）、英國及美國之淨資產，主要透過以有關外幣計價之經營負債管理。

於截至二零零七年十二月三十一日止年度內，倘港元較人民幣貶值／升值6%而所有其他不定因素維持不變，則本年度的除稅後溢利將減少或增加24,640,000港元（二零零六年：21,898,000港元），主要是因為換算以人民幣計值的應收賬款及來自神州（一廣告代理）的應收款項產生的外匯虧損／收益。由於以人民幣計值的應收款項數額有所增加，因此溢利於二零零七受港元與人民幣之間的匯率波動影響較二零零六年更為明顯。於二零零七年十二月三十一日，倘港元較人民幣貶值／升值6%，則權益將減少或增加7,136,000港元（二零零六年：6,013,000港元），主要是因為換算中國附屬公司以人民幣計值的權益產生的外匯虧損／收益。由於中國附屬公司以人民幣計值的權益數額有所增加，因此權益於二零零七年受港元與人民幣之間的匯率波動影響較二零零六年更為明顯。

於二零零七年十二月三十一日，本集團的若干資產乃以美元計值。本集團於美國亦有經營業務。由於港元與美元掛鈎，因此認為有關以美元計值的資產或其於美國業務的外匯風險極微。

Notes to the Consolidated Financial Statements 綜合財務報表附註

3. Financial Risk Management (continued)

(a) Financial risk factors (continued)

(i) Market risk (continued)

(a) Foreign exchange risk (continued)

During the year ended, 31 December 2007, if HK dollar had weakened/strengthened by 5% against the UK pound, with all other variables held constant, after-tax profit for the year would have been HK\$781,000 (2006: HK\$615,000), lower or higher, mainly as a result of foreign exchange losses/gains on translation of UK pound-denominated accounts receivables. Profit is more sensitive to movement in HK\$/UK pound exchange rates in 2007 than 2006 because of the increased amount of UK pound-denominated receivables. At 31 December 2007, if HK\$ had weakened/strengthened by 5% against the UK pound, equity would have been HK\$518,000 (2006: HK\$517,000), lower or higher, arising mainly from foreign exchange losses/gains on translation of UK subsidiaries' equity denominated in UK pound. Equity is more sensitive to movement in HK\$/UK pound exchange rates in 2007 than in 2006 because of the increased amount of UK subsidiaries' deficits denominated in UK pound.

(b) Price risk

The Group is exposed to unlisted and listed equity securities price risk because investments held by the Group are classified on the consolidated balance sheet as financial assets at fair value through profit or loss, for which management adopts the indicative market value provided by the issuers as their best estimate of the fair values of such securities and some of the equity linked notes are linked to some listed securities. None of Group's equity investments in equity of other entities are publicly traded. The Group exposes to commodity price risk as some of the equity linked notes are linked to some listed securities. For the further price risk exposed by the Group, please refer to Note 21.

3. 財務風險管理(續)

(a) 財務風險因素(續)

(i) 市場風險(續)

(a) 外匯風險(續)

於截至二零零七年十二月三十一日止年度內，倘港元較英鎊貶值／升值5%而所有其他不定因素維持不變，則本年度的除稅後溢利將減少或增加781,000港元(二零零六年：615,000港元)，主要是因為換算以英鎊計值的應收賬款產生的外匯虧損／收益。由於以英鎊計值的應收款項數額有所增加，因此溢利於二零零七年受港元與英鎊之間的匯率波動影響較二零零六年更為明顯。於二零零七年十二月三十一日，倘港元較英鎊貶值／升值5%，則權益將減少或增加518,000港元(二零零六年：517,000港元)，主要是因為換算英國附屬公司以英鎊計值的權益產生的外匯虧損／收益。由於英國附屬公司以英鎊計值的赤字數額有所增加，因此權益於二零零七年受港元與英鎊之間的匯率波動影響較二零零六年更為明顯。

(b) 價格風險

由於本集團所持有的投資於綜合資產負債表內分類為按公平值透過損益記賬的財務資產，故本集團須承受非上市及上市股本證券價格風險，為此管理層採納由發行者提供之指示市場價值作為該等證券的最佳估計公平值，且部份該等股票掛鈎票據與部份上市證券掛鈎。本集團於其他實體股本的股本投資並無予以公開買賣。由於部份股票掛鈎票據與部份上市證券掛鈎，因此本集團須承受商品價格風險。有關本集團承受價格風險的進一步詳情載於附註21。

Notes to the Consolidated Financial Statements 綜合財務報表附註

3. Financial Risk Management (continued)

(a) Financial risk factors (continued)

(ii) Credit risk

The Group's credit risk arises from cash and cash equivalents, financial assets at fair value through profit or loss, loans and receivables, deposits with banks and financial institutions, as well as credit exposures to advertising agents and customers, including outstanding receivables and committed transactions. The Group has a receivable from an advertising agent, Shenzhou, in the PRC amounting to HK\$377,501,000 representing approximately 23% of the total assets of the Group as of 31 December 2007. The Group manages its exposure to credit risk through continual monitoring of the credit quality of its customers and advertising agents, taking into account their financial position, collection history, past experience and other factors. For banks, financial institutions and issuers of derivative financial instruments, only reputable well established banks and financial institutions are accepted.

The Group has put in place policies to ensure that the sales, in particular advertising airtime and other activities are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers.

Most of the payment terms for advertising revenue will be agreed between the Group and the customers. The customer will make the payment in accordance with the contract terms. Thus, all the outstanding receivable balances are due immediately and there is no credit period granted to the customers.

3. 財務風險管理(續)

(a) 財務風險因素(續)

(ii) 信貸風險

本集團的信貸風險源自於現金及現金等值項目、按公平值透過損益記賬的財務資產、貸款及應收款項及存放於銀行及財務機構之存款，以及廣告代理及客戶之信用風險(包括未償還應收款項及未進行已承諾之交易)。於二零零七年十二月三十一日，本集團有應收中國廣告代理神州之應收款項為377,501,000港元，佔本集團總資產之約23%。本集團透過持續監察其客戶及廣告代理之信用質素，管理其面對之信貸風險，並考慮彼等之財務狀況、收款歷史、過往經驗及其他因素。就銀行、財務機構及衍生財務工具之發行者而言，本集團僅信納具良好聲譽之知名銀行及財務機構。

本集團已採取既定政策以確保向具有適當信貸歷史之客戶進行銷售(特別是廣告時段及其他活動)，而本集團亦會定期對其客戶進行信貸評估。信貸限額之使用情況乃定期予以監察。

大部份該等廣告收益之付款條款將由本集團及客戶協定。客戶將根據付款條款進行支付。因此，所有未付之應收賬款結餘乃須即時付款且並未授予該等客戶信貸期。

Notes to the Consolidated Financial Statements 綜合財務報表附註

3. Financial Risk Management (continued)

(a) Financial risk factors (continued)

(iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed banking facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Finance Department aims to maintain flexibility in funding by keeping committed banking facilities available. Details of cash and cash equivalents and banking facilities are set out in Notes 25 and 32 respectively.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

3. 財務風險管理(續)

(a) 財務風險因素(續)

(iii) 流動資金風險

謹慎流動資金風險管理指維持充足的現金及現金等值項目，從銀行獲得足夠的銀行信貸額度和規避市場風險的能力。由於相關業務的流動性質，財務部門旨在透過可動用銀行信貸保持資金的流動性。現金及現金等值項目及銀行信貸詳情分別載於附註25及32。

下表按有關到期日組合分析本集團的財務負債，乃根據於結算日至合約到期日之餘下期間計算。該表所披露的金額均為合約未貼現現金流量。由於貼現並無重大影響，於十二個月內到期之結餘相等於其賬面結餘。

Group	本集團	Less than	Total
		1 year 少於1年	總計
		\$'000 千元	\$'000 千元
At 31 December 2007	於二零零七年十二月三十一日		
Deferred income	遞延收入	95,365	95,365
Accounts and other payables	應付賬款及其他應付款項	46,438	46,438
Amounts due to related companies	應付有關連公司款項	3,506	3,506
At 31 December 2006	於二零零六年十二月三十一日		
Deferred income	遞延收入	119,580	119,580
Accounts and other payables	應付賬款及其他應付款項	56,776	56,776
Amounts due to related companies	應付有關連公司款項	4,743	4,743

Notes to the Consolidated Financial Statements 綜合財務報表附註

3. Financial Risk Management (continued)

(a) Financial risk factors (continued)

(iv) Cash flow and fair value interest rate risk

As the Group has interest-bearing assets comprising cash and cash equivalents and financial assets at fair value through profit or loss, the Group's income and operating cash flows can be affected by changes in market interest rates.

The Group's cash flow and fair value interest-rate risks primarily arise from bank deposits. Bank deposits placed at variable rates expose the Group to cash flow interest-rate risk whereas those placed at fixed rates expose the Group to fair value interest-rate risk. The Finance Department's policy is to maintain an appropriate level between fixed-rate and floating-rate deposits. At the year end, 27% of bank deposits were at fixed rates.

(b) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

(c) Fair value estimation

The carrying amounts of the Group's financial assets and liabilities including cash and cash equivalents, loans and receivables, accounts receivable, prepayment, deposits and other receivables, investments in jointly controlled entities, available-for-sale financial assets, amounts due from/ to related companies, accounts payable, other payables and accruals, deferred income approximate their fair value due to their short maturity.

The fair value of financial assets at fair value through profit or loss that are not openly traded is determined with reference to indicative market values provided by issuers (Note 21).

3. 財務風險管理(續)

(a) 財務風險因素(續)

(iv) 現金流量及公平值利率風險

由於本集團之附息資產包括現金及現金等值項目以及按公平值透過損益記賬的財務資產，故本集團之收入及營運現金流量將受到市場利率變動之影響。

本集團之現金流量及公平值利率風險主要由銀行存款產生。附有不同利率的銀行存款使得本集團須面對現金流量利率風險，而附有固定利率的銀行存款使得本集團須面對公平值利率風險。財務部門之政策為維持適當水平之固定利率及浮動利率存款。於年結日，27%之銀行存款為固定利率。

(b) 資本風險管理

本集團之資本管理目標是保障本集團之持續經營能力，以向股東提供回報，並維持最優資本架構以減少資本之成本。

為維持或調整資本架構，本集團可能會調整已支付予股東之股息金額、返還資本予股東或發行新股份。

(c) 公平值估計

本集團的財務資產及負債包括現金及現金等值項目、貸款及應收款項、應收賬款、預付款項、按金及其他應收款項、於共同控制實體的投資、可供銷售財務資產、應收／付有關連公司的款項、應付賬款、其他應付款項及應計費用以及遞延收入，由於該等財務資產及負債均為短時間到期，因此彼等之賬面值與彼等之公平值相近。

按公平值透過損益記賬的財務資產(並不會公開買賣)之公平值乃參考發行者提供的指示市場價值而釐定(附註21)。

Notes to the Consolidated Financial Statements 綜合財務報表附註

4. Critical Accounting Estimates and Judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

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

(i) Provision for impairment of receivables

Significant judgment is exercised in the assessment of the collectibility of accounts receivable from each customer and the receivable from an advertising agent, Shenzhou. In making such judgment, management considers a wide range of factors such as results of follow-up procedures performed by sales personnel, customers' and Shenzhou's payment trends including subsequent payments and customers' and Shenzhou's financial positions.

(ii) Income taxes

The Group is subject to income taxes in numerous jurisdictions, including Hong Kong and the PRC. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. For the Group's tax exposure in the PRC, please refer to Note 7.

4. 重要會計估計及判斷

編製財務報表時作出的估計及判斷會根據過往經驗及其他因素，經常作出評估，包括預期日後在有關情況下出現認為合理的事件。

(a) 重要會計估計及假設

對於將來，本集團會作出估計及假設。嚴格而言，所產生的會計估計甚少與有關的實際結果完全相同。有重大風險而導致下一財政年度資產與負債的賬面值需作大幅修訂的估計及假設在下文論述。

(i) 應收款項減值撥備

整體評估每一客戶的應收款項及來自神州一廣告代理的應收款項之可收回性時須作出重要判斷。於作出判斷時，管理層須考慮諸多因素，如銷售人員的跟進程序結果、客戶及神州的付款意向（包括之後的付款）及客戶及神州的財務狀況。

(ii) 所得稅

本集團須於數個司法權區（包括香港及中國）繳納所得稅。需要作出重要判斷以釐定全球範圍內之所得稅撥備。於日常業務中，眾多交易及計算之最終稅項不易確定。本集團基於估計額外稅項負債到期而確認預期應付稅項負債。當最終稅項結果與最初記錄之稅項款額存在差異時，該差額將影響作出上述釐定期間之所得稅及遞延稅項撥備。有關本集團的中國稅項披露亦請參考附註7。

Notes to the Consolidated Financial Statements 綜合財務報表附註

4. Critical Accounting Estimates and Judgments (continued)

(a) Critical accounting estimates and assumptions (continued)

(iii) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and function. It could change significantly as a result of changes in the Group's operations including any future relocation or renovation of the Group's facilities. Management will increase the depreciation charge where useful lives are less than previously estimated, or it will write-off or write-down non-strategic assets that have been abandoned or sold.

4. 重要會計估計及判斷(續)

(a) 重要會計估計及假設(續)

(iii) 物業、廠房及設備之可使用年期

本集團之管理層會為其物業、廠房及設備釐定估計可使用年期及相關折舊費用。此估計乃根據類似性質及功能之物業、廠房及設備之過往經驗進行。此估計會因本集團經營業務之變動(包括日後本集團設備搬遷或翻新)而出現大幅變動。倘可使用年期少於先前所估計者,或將撇銷或撇減已遭廢棄或出售之非策略性資產,則管理層將增加有關折舊費用。

Notes to the Consolidated Financial Statements 綜合財務報表附註

4. Critical Accounting Estimates and Judgments (continued)

(a) Critical accounting estimates and assumptions (continued)

(iv) Fair value of a property received in a barter transaction

The Group received a property in a barter transaction during 2006 (please refer to Note 18(b) for details of the transaction). The revenue to be recognised by the Group as a result of the transaction is measured based on the fair value of the property received. The Group determined the fair value of the property upon taking possession of the property by making reference to the price for the property negotiated with the third party counterparty to the transaction and a valuation of the property as at the date of the transaction prepared by an independent valuer.

(b) Critical judgments in applying the Group's accounting policies

Fair value of financial assets at fair value through profit or loss

The fair value of financial assets at fair value through profit or loss that are not traded in an active market is determined by using valuation techniques. The Group adopted the indicative market value provided by the issuers as their best estimate of the fair values of these financial instruments (Note 21). The Group considered that it would be more practicable to benchmark the values of these financial assets at fair value through profit or loss to the indicative market value provided by the issuers of these financial instruments rather than selecting another valuation method. The Group considered that the indicative market values provided by the issuers of these financial instruments were prepared based on financial valuation models and can be relied on.

4. 重要會計估計及判斷(續)

(a) 重要會計估計及假設(續)

(iv) 於易貨交易所接收物業的公平值

本集團於二零零六年度在易貨交易中接收一項物業(有關交易詳情請參考附註18(b))。於進行該交易後,本集團確認之收入乃根據所接收物業之公平值計算。於佔有該物業後,本集團乃經參考與該交易的第三方交易對手磋商之該物業價格及獨立估值師所編製該物業於交易日期的估值後,釐定該物業之公平值。

(b) 於應用本集團會計政策時的重要判斷

按公平值透過損益記賬的財務資產的公平值

並非於活躍市場交易的按公平值透過損益記賬的財務資產之公平值乃使用估值技術釐定。本集團採納由發行者提供的指示市場價值作為其對該等財務工具公平值的最佳估計(附註21)。本集團認為,以此等財務工具發行者提供之上述按公平值透過損益記賬的財務資產之指示市場價值作為基準價,較運用其他估值方法更為可行。本集團認為,此等財務工具發行者提供的指示市場價值乃基於財務估值模型編製且可予倚賴。

Notes to the Consolidated Financial Statements 綜合財務報表附註

5. Revenue and Segment Information

The Group is principally engaged in satellite television broadcasting activities. An analysis of the Group's revenue and other income by nature is as follows:

5. 收入及分類資料

本集團的主要業務為衛星電視廣播業務。按性質分類的本集團收入及其他收入分析如下：

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Revenue	收入		
Advertising sales	廣告銷售	1,037,898	973,310
Subscription sales	收視費收入	45,480	41,511
Magazine advertising and subscription or circulation sales	雜誌廣告及訂購或發行收入	23,512	18,030
Technical services income	技術服務收入	56,391	13,491
Others	其他	15,386	11,325
		1,178,667	1,057,667
Other income	其他收入		
Interest income, net	利息收入淨額	24,503	23,118
Exchange gain, net	匯兌收益淨額	25,583	15,124
Income from certificate of deposit	存款證收入	705	976
Sales of programmes	節目銷售	934	3,715
Fair value gain on financial assets at fair value through profit or loss (realised and unrealised)	按公平值透過損益記賬的財務資產的公平值收益(已變現及未變現)	2,110	4,910
Gain on the formation of a subsidiary (Note 23(a)(iii))	成立一家附屬公司的收益(附註23(a)(iii))	17,500	-
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	664	-
Others, net	其他淨額	11,698	8,646
		83,697	56,489
Total	總計	1,262,364	1,114,156

Notes to the Consolidated Financial Statements 綜合財務報表附註

5. Revenue and Segment Information (continued)

Primary reporting format – business segments

The Group is organised into four main business segments including:

- (i) Television broadcasting – broadcasting of television programmes and commercials and provision of promotion activities;
- (ii) Programme production and ancillary services;
- (iii) New media – provision of website portal and value-added telecommunication services; and
- (iv) Other activities – merchandising services, magazine publication and distribution, and other related services.

5. 收入及分類資料(續)

主要呈報格式－業務分類

本集團包括四項主要業務分類，包括：

- (i) 電視廣播－電視節目及廣告廣播及提供宣傳活動；
- (ii) 節目製作及支援服務；
- (iii) 新媒體－提供入門網站及電訊增值服務；及
- (iv) 其他業務－商品服務、雜誌出版及發行，以及其他相關服務。

Notes to the Consolidated Financial Statements 綜合財務報表附註

5. Revenue and Segment Information (continued) 5. 收入及分類資料(續)

Primary reporting format – business segments (continued)

主要呈報格式 – 業務分類(續)

Year ended 31 December 2007
截至二零零七年十二月三十一日止年度

		Television broadcasting	Programme production and ancillary services	New media	Other activities	Inter- segment elimination	Group
		電視廣播 \$'000 千元	節目製作及 支援服務 \$'000 千元	新媒體 \$'000 千元	其他業務 \$'000 千元	分類間對銷 \$'000 千元	本集團 \$'000 千元
Revenue	收入						
External sales	對外銷售	1,083,379	5,433	56,391	33,464	–	1,178,667
Inter-segment sales	分類間銷售	204	27,392	–	265	(27,861)	–
Total revenue	總收入	1,083,583	32,825	56,391	33,729	(27,861)	1,178,667
Segment results	分類業績	367,699	181	25,313	692	–	393,885
Unallocated income (Note a)	未分配收入(附註a)						79,130
Unallocated expenses (Note b)	未分配費用(附註b)						(142,774)
Profit before share of results of jointly controlled entities, income tax and minority interests	除攤佔共同控制實體業績、所得稅及少數股東權益前溢利						330,241
Share of losses of jointly controlled entities	攤佔共同控制實體虧損						(1,067)
Income tax expense	所得稅費用						(50,640)
Profit for the year	本年度溢利						278,534
Minority interests	少數股東權益						215
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利						278,749
Segment assets (Note c)	分類資產(附註c)	96,195	53,266	82,284	13,299	–	245,044
Unallocated assets (Note c)	未分配資產(附註c)						1,390,498
Total assets	總資產						1,635,542
Segment liabilities (Note d)	分類負債(附註d)	(139,668)	(5,898)	(19,278)	(9,218)	–	(174,062)
Unallocated liabilities (Note d)	未分配負債(附註d)						(51,691)
Total liabilities	總負債						(225,753)
Capital expenditure (Note e)	資本支出(附註e)	(18,612)	(1,081)	(3,517)	–	–	(23,210)
Unallocated capital expenditure	未分配資本支出						(209,876)
							(233,086)
Depreciation	折舊	(23,946)	(1,741)	(1,685)	(60)	–	(27,432)
Provision for impairment of accounts receivable	應收賬款減值撥備	(5,547)	–	–	–	–	(5,547)
Amortisation of purchased programme and film rights	購入節目及電影版權之攤銷	(17,799)	–	–	–	–	(17,799)
Reversal of previously written-off accounts receivable	先前撇銷應收賬款之撥回	8,505	–	–	–	–	8,505

Notes to the Consolidated Financial Statements 綜合財務報表附註

5. Revenue and Segment Information (continued) 5. 收入及分類資料(續)

Primary reporting format – business segments (continued)

主要呈報格式 – 業務分類 (續)

		Year ended 31 December 2006 截至二零零六年十二月三十一日止年度					
		Television broadcasting 電視廣播 \$'000 千元	Programme production and ancillary services 節目製作及 支援服務 \$'000 千元	New media 新媒體 \$'000 千元	Other activities 其他業務 \$'000 千元	Inter- segment elimination 分類間對銷 \$'000 千元	Group 本集團 \$'000 千元
Revenue	收入						
External sales	對外銷售	1,014,822	1,914	13,490	27,441	–	1,057,667
Inter-segment sales	分類間銷售	611	24,584	–	30	(25,225)	–
Total revenue	總收入	1,015,433	26,498	13,490	27,471	(25,225)	1,057,667
Segment results	分類業績	351,549	(1,921)	894	(2,984)	–	347,538
Unallocated income (Note a)	未分配收入(附註a)						45,408
Unallocated expenses (Note b)	未分配費用(附註b)						(145,603)
Profit before share of results of jointly controlled entities, income tax and minority interests	除攤估共同控制 實體業績、 所得稅及少數 股東權益前溢利						247,343
Share of losses of jointly controlled entities	攤估共同控制實體虧損						(1,518)
Income tax expense	所得稅費用						(34,938)
Profit for the year	本年度溢利						210,887
Minority interests	少數股東權益						1,498
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利						212,385
Segment assets (Note c)	分類資產(附註c)	64,385	68,454	17,038	10,191	–	160,068
Unallocated assets (Note c)	未分配資產(附註c)						1,273,282
Total assets	總資產						1,433,350
Segment liabilities (Note d)	分類負債(附註d)	(27,006)	(5,281)	(11,888)	(10,273)	–	(54,448)
Unallocated liabilities (Note d)	未分配負債(附註d)						(212,214)
Total liabilities	總負債						(266,662)
Capital expenditure (Note e)	資本支出(附註e)	(11,678)	(2,789)	(3,417)	–	–	(17,884)
Unallocated capital expenditure	未分配資本支出						(67,979)
							(85,863)
Depreciation	折舊	(18,533)	(2,883)	(1,897)	(60)	–	(23,373)
Impairment of purchased programme and film rights	購入節目及電影 版權減值	(1,680)	–	–	–	–	(1,680)
Provision for impairment of accounts receivable	應收賬款減值 撥備	(16,293)	–	–	–	–	(16,293)
Amortisation of purchased programme and film rights	購入節目及電影 版權之攤銷	(17,011)	–	–	–	–	(17,011)
Reversal of previously written- off accounts receivable	先前撇銷應收 賬款之撥回	12,152	–	–	–	–	12,152

Notes to the Consolidated Financial Statements 綜合財務報表附註

5. Revenue and Segment Information (continued)

Primary reporting format – business segments (continued)

Note:

- (a) Unallocated income represents income recognised on formation of a subsidiary with another third party investor to undertake the outdoor media business (Note 23 (a)(iii)), and other gains such as exchange gain, interest income, fair value gain on financial assets and liabilities (realised and unrealised).
- (b) Unallocated expenses represent primarily:
- corporate staff costs;
 - office rental;
 - general administrative expenses; and
 - marketing and advertising expenses that relate to the Group as a whole.
- (c) Segment assets consist primarily of purchased programme and film rights, broadcast operations and other equipments (Note 18), inventories, accounts receivable, and self-produced programmes.

Unallocated assets comprise property, plant and equipment other than broadcast operations and other equipments (Note 18), lease premium for land, intangible assets, investments in jointly controlled entities, available-for-sale financial assets, financial assets at fair value through profit or loss, amounts due from related companies, deferred income tax assets, prepayments, deposits and other receivables, loans and receivables, and cash and cash equivalents.

- (d) Segment liabilities consist primarily of certain payables and deferred income.

Unallocated liabilities comprise of provision for asset retirement reinstatement, deferred income tax liabilities, other payables and accruals, amounts due to related companies and profits tax payable.

- (e) Capital expenditure comprises additions to property, plant and equipment, lease premium for land and intangible assets.

5. 收入及分類資料(續)

主要呈報格式－業務分類(續)

附註：

- (a) 未分配收入指就與另一位第三方投資者成立一家附屬公司以進行戶外媒體業務而確認的收益(附註23(a)(iii))及其他收益，如滙兌收益、利息收入、財務資產及負債的公平值收益(已變現及未變現)。
- (b) 未分配費用主要為：
- 集團員工成本；
 - 辦公室租金；
 - 一般行政開支；及
 - 與本集團整體有關的市場推廣及廣告費用。
- (c) 分類資產主要由已購買節目及電影版權、廣播運營及其他設備(附註18)、存貨、應收帳款及自製節目組成。

未分配資產包括其他物業、廠房及設備(廣播營運及其他設備除外)(附註18)、土地租金、無形資產、投資於共同控制實體、可供出售之財務資產、按公平值透過損益記賬的財務資產、應收有關連公司款項、遞延所得稅項資產、預付款項、按金及其他應收款項、貸款及應收款項及現金及現金等值物。

- (d) 分類負債主要由若干應付款項及遞延收入。

未分配負債包括報廢資產復原撥備、遞延所得稅項負債、其他應付款項及應計費用、應付有關連公司款項及應付利得稅。

- (e) 資本支出包括添置物業、廠房及設備、土地租賃費用以及無形資產。

Notes to the Consolidated Financial Statements 綜合財務報表附註

5. Revenue and Segment Information (continued) 5. 收入及分類資料(續)

Secondary reporting format – geographical segments

第二呈報格式 – 地區分類

Year ended 31 December 2007
截至二零零七年十二月三十一日止年度

		Revenue	Total assets	Capital expenditure
		收入	總資產	資本支出
		\$'000	\$'000	\$'000
		千元	千元	千元
The People's Republic of China (including Hong Kong)	中華人民共和國 (包括香港)	1,092,995	1,593,612	230,729
United States	美國	41,747	18,664	813
Europe	歐洲	18,488	18,101	1,118
Others	其他	25,437	5,165	426
		1,178,667	1,635,542	233,086

Year ended 31 December 2006
截至二零零六年十二月三十一日止年度

		Revenue	Total assets	Capital expenditure
		收入	總資產	資本支出
		\$'000	\$'000	\$'000
		千元	千元	千元
The People's Republic of China (including Hong Kong)	中華人民共和國 (包括香港)	985,536	1,390,662	84,143
United States	美國	30,600	20,828	380
Europe	歐洲	18,014	16,030	436
Others	其他	23,517	5,830	904
		1,057,667	1,433,350	85,863

Revenue is based on the country in which the customer is located. Total assets and capital expenditure are based on the country where the assets are located.

收入乃基於客戶所在的國家計算。總資產及資本支出乃基於資產所在的國家計算。

Notes to the Consolidated Financial Statements 綜合財務報表附註

6. Profit Before Income Tax

The following items have been credited/charged to the profit before income tax during the year:

6. 經營溢利

下列各項已在本年度內於除所得稅前溢利內計入／扣除：

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Crediting	計入		
Fair value gain on financial assets at fair value through profit or loss (realised and unrealised)	按公平值透過損益記賬 的財務資產的公平值 收益(已變現及未變現)	2,110	4,910
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	664	-
Reversal of previously written off accounts receivable	先前撇銷應收賬款之撥回	8,505	12,152
Reversal of provision for impairment of accounts receivable	應收賬款減值撥備撥回	5,192	-
Gain on the formation of a subsidiary	成立一家附屬公司之收益	17,500	-
Charging	扣除		
Amortisation of purchased programme and film rights	購入節目及電影版權之攤銷	17,799	17,011
Production costs of self-produced programmes	自製節目製作成本	133,130	119,786
Transponder rental (Note 34(j), (k), (l))	轉發器租金 (附註34(j)、(k)、(l))	21,052	17,000
Provision for impairment of accounts receivable	應收賬款減值撥備	5,547	16,293
Provision for impairment of prepayments, deposits and other receivables	預付款項、按金及其他 應收款項之減值撥備	6,874	-
Employee benefit expenses (including Directors' emoluments) (Note 11)	僱員福利開支 (包括董事酬金) (附註11)	296,407	263,418
Operating lease rental in respect of	下列經營租賃租金		
- Directors' quarters	- 董事宿舍	1,322	1,202
- Land and buildings of third parties	- 第三者的土地及樓宇	18,842	17,959
Depreciation expenses	折舊費用	27,432	23,373
Amortisation of lease premium for land	土地租賃費用之攤銷	1,402	540
Auditor's remuneration	核數師酬金	2,835	2,410
Impairment of property, plant and equipment	物業、廠房及設備之減值	226	677
Impairment of purchased programme and film rights	購入節目及電影版權之減值	-	1,680

Notes to the Consolidated Financial Statements 綜合財務報表附註

7. Income Tax Expense

Hong Kong profits tax has been provided at the rate of 17.5% (2006: 17.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

7. 所得稅費用

香港利得稅乃按本年度估計應課稅溢利以 17.5% (二零零六年: 17.5%) 稅率撥備。海外溢利稅項乃根據本年度的估計應課稅溢利，按本集團業務所在國家的適用稅率計算。

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Current income tax	現時所得稅：		
– Hong Kong profits tax	– 香港利得稅	43,825	45,532
– Overseas taxation	– 海外稅項	3	51
– (Over)/under provision of Hong Kong profits tax in the prior year	– 於過往年度香港利得稅 (超額撥備) / 撥備不足	(1,844)	375
Deferred income tax (Note 30)	遞延所得稅 (附註 30)	8,656	(11,020)
		50,640	34,938

On 20 January 1998, the PRC State Administration of Taxation granted a Tax Ruling of Business Tax and Foreign Enterprise Income Tax on certain of the Group's advertising fees collected from Shenzhen Television Company Ltd. ("Shenzhen") in the PRC (Note 13) (the "Ruling"). The Group has dealt with the aforementioned taxes according to the Ruling in the consolidated financial statements. However, PRC tax laws and regulations and the interpretations thereof may change in the future such that the Group would be subject to PRC taxation on certain income deemed to be sourced in the PRC other than Hong Kong. The Group will continue to monitor developments in the PRC tax regime in order to assess the ongoing applicability and validity of the Ruling.

於一九九八年一月二十日，中國國家稅務總局就本集團自中國神州電視有限公司 (「神州」) 收取若干廣告費發出營業稅及外商投資企業所得稅稅務裁定 (附註 13) (「該裁定」)。本集團已根據該裁定於綜合財務報表內處理上述稅項。然而，中國有關稅收法律及法規及詮釋日後可能變動，則本集團須就若干被視為於中國而非香港取得之收入繳納中國稅項。本集團將繼續觀察中國稅法體制之發展以評估該裁定之適用及有效性。

Notes to the Consolidated Financial Statements 綜合財務報表附註

7. Income Tax Expense (continued)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the tax rate of the location in which the Company operates as follows:

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Profit before income tax	除所得稅前溢利	329,174	245,825
Calculated at a taxation rate of 17.5% (2006: 17.5%)	根據稅率17.5%計算 (二零零六年: 17.5%)	57,605	43,019
Income not subject to taxation	毋須課稅收入	(14,266)	(10,823)
Expenses not deductible for taxation purposes	不可就課稅而扣減費用	11,095	10,273
Tax losses not recognised	未確認稅項虧損	6,973	9,431
Effect of tax holiday granted to PRC subsidiaries	授予中國附屬公司稅項減免期的影響	(4,617)	-
Utilisation of previously unrecognised tax losses	動用先前未確認稅項虧損	(4,309)	(3,631)
Recognition of deferred tax asset arising from previously unrecognised tax losses	確認因先前未確認稅項虧損而 產生之遞延稅項資產	-	(13,900)
Provision for overseas operations	海外經營業務撥備	3	51
(Over)/under provision of Hong Kong profits tax in prior years	於過往年度香港利得稅 (超額撥備)/撥備不足	(1,844)	375
Others	其他	-	143
Tax expense	稅項費用	50,640	34,938

The weighted average applicable tax rate was 16% (2006: 17%).

本集團根據除稅前溢利計算的稅項，與採用本公司經營所在地區的稅率而產生之理論款額的差異如下：

加權平均適用稅率為16% (二零零六年: 17%)。

8. Loss Attributable to Equity Holders of the Company

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$1,287,000 (2006: HK\$1,276,000).

8. 本公司權益持有人應佔虧損

本公司權益持有人應佔虧損1,287,000港元 (二零零六年: 1,276,000港元) 已計入本公司的財務報表。

Notes to the Consolidated Financial Statements 綜合財務報表附註

9. Dividends

The 2006 final dividends paid during the year ended 31 December 2007 were HK\$69,243,000 (HK\$0.014 per share). A dividend in respect of 2007 of HK\$0.018 per share, amounting to a total dividend of HK\$89,108,000 estimated based upon the number of outstanding shares of approximately 4,950,422,000 as at 31 December 2007, was proposed by the Directors at a Board of Directors meeting held on 7 March 2008. These financial statements do not reflect this dividend payable.

9. 股息

於截至二零零七年十二月三十一日止年度支付的二零零六年末期股息為69,243,000港元(每股0.014港元)。董事已於二零零八年三月七日舉行的董事會會議上提呈二零零七年股息每股0.018港元，(根據於二零零七年十二月三十一日之已發行股份數目約4,950,422,000股計算)估計合共為89,108,000港元。此等財務報表並未反映是次應付股息。

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Proposed final dividend of HK\$0.018 (2006: HK\$0.014) per share	建議末期股息每股0.018港元 (二零零六年：0.014港元)	89,108	69,243

10. Earnings Per Share

Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

10. 每股盈利

基本

每股基本盈利乃根據本公司權益持有人應佔溢利除以年內已發行普通股的加權平均數計算。

		2007 二零零七年	2006 二零零六年
Profit attributable to equity holders of the Company (\$'000)	本公司權益持有人應佔溢利(千元)	278,749	212,385
Weighted average number of ordinary shares in issue ('000)	已發行普通股的加權平均數(千股)	4,946,338	4,940,000
Basic earnings per share (Hong Kong cents)	每股基本盈利(港仙)	5.64	4.30

Notes to the Consolidated Financial Statements 綜合財務報表附註

10. Earnings Per Share (continued)

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares which is share options. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. Where the number of shares so calculated is smaller than the number of shares that would have been issued assuming the exercise of all the outstanding share options, the difference represents potential dilutive shares and is added to the weighted average number of ordinary shares in issue to arrive at the weighted average number of ordinary shares for diluted earnings per share.

10. 每股盈利(續)

攤薄

每股攤薄盈利乃在假設所有攤薄潛在普通股已轉換的情況下，根據已發行普通股的經調整加權平均數計算。本公司有一類攤薄潛在普通股，即購股權。本公司乃根據尚未行使購股權所附帶的認購權幣值進行計算，以釐定可按公平值(按本公司股份於期間的平均市場股價而定)購入的股份數目。上述計算所得的股份數目乃與假設該等購股權獲行使後將會發行的股份數目比較。倘按此計算的股份數目少於假設所有未行使購股權獲行使後將會發行的股份數目，則有關差額即潛在攤薄股份乃加入至已發行普通股的加權平均數，以達致用於釐定每股攤薄盈利的普通股加權平均數。

		2007 二零零七年	2006 二零零六年
Profit attributable to equity holders of the Company used to determine diluted earnings per share (\$'000)	用於釐定每股攤薄盈利的本公司權益持有人應佔溢利(千元)	278,749	212,385
Weighted average number of ordinary shares in issue ('000)	已發行普通股的加權平均數(千股)	4,946,338	4,940,000
Adjustment for share options ('000)	就購股權作出的調整(千股)	15,383	5,582
Weighted average number of ordinary shares for diluted earnings per share ('000)	用於釐定每股攤薄盈利的普通股加權平均數(千股)	4,961,721	4,945,582
Diluted earnings per share (Hong Kong cents)	每股攤薄盈利(港仙)	5.62	4.29

Notes to the Consolidated Financial Statements 綜合財務報表附註

11. Employee Benefit Expenses (Including Directors' Emoluments)

11. 僱員福利費用(包括董事酬金)

		2007 二零零七年 \$'000 千元	2006 二零零六年 HK\$'000 千元
Wages, salaries and other allowances	工資、薪金及其他津貼	284,025	251,010
Unutilised annual leave	未用年假	406	1,544
Pension costs – defined contribution plan, net of forfeited contributions (Note a)	退休金成本 – 定額供款計劃 (扣除被沒收供款) (附註a)	11,976	10,864
		296,407	263,418

(a) Pensions – defined contribution plans

The Group operates a number of defined contribution pension schemes in accordance with the respective subsidiaries' local practices and regulations. The Group is obligated to contribute funding to these plans based on various percentages of the employees' salaries or a fixed sum per employee with reference to their salary level. The assets of these schemes are generally held in separate trustee administered funds.

- (i) Employees in Hong Kong are provided with a defined contribution provident fund scheme and the Group is required to make monthly contribution to the scheme based on 10% of the employees' basic salaries. Forfeited contributions are used to offset the employer's future contributions. For the year ended 31 December 2007, the aggregate amount of the employer's contributions was approximately HK\$11,613,000 (2006: HK\$11,037,000) and the total amount of forfeited contributions was approximately HK\$1,613,000 (2006: HK\$1,875,000).

Since 1 December 2000, the employees in Hong Kong can elect to join the Mandatory Provident Fund Scheme (the "MPF Scheme"). The MPF Scheme was introduced pursuant to the Mandatory Provident Fund legislation introduced in 2000. Under the MPF Scheme, the Group and each of the employees make monthly contribution to the scheme at 5% of the employees' relevant income as defined under the Mandatory Provident Fund legislation.

(a) 退休金 – 定額供款計劃

本集團按照各附屬公司所在的當地慣例及法規設有多項定額供款退休金計劃。本集團須按僱員薪金的不同資金比率或參照薪級表後按每名僱員以固定金額向該等計劃提供資金。該等計劃的資產一般由所管理基金的獨立信託人持有。

- (i) 香港僱員乃獲提供定額供款公積金計劃，而本集團須每月按僱員基本薪金的10%向該計劃作出供款。被沒收供款乃用於抵銷僱主的未來供款。截至二零零七年十二月三十一日止年度，僱員的供款總額為約11,613,000港元(二零零六年：11,037,000港元)，而被沒收供款總額為約1,613,000港元(二零零六年：1,875,000港元)。

自二零零零年十二月一日起，香港僱員可選擇加入強制性公積金計劃(「強積金計劃」)。強積金計劃乃根據於二零零零年頒佈的強制性公積金法例而推出。根據強積金計劃，本集團及各位僱員每月按僱員相關收入的5%(定義見強制性公積金法例)向該計劃作出供款。

Notes to the Consolidated Financial Statements 綜合財務報表附註

11. Employee Benefit Expenses (Including Directors' Emoluments) (continued)

(a) Pensions – defined contribution plans (continued)

(i) (continued)

Both the employer's and the employees' contributions are subject to a cap of monthly relevant income of HK\$20,000 for each employee. For those employees with monthly relevant income less than HK\$5,000, since 1 February 2003, the employees' contributions are voluntary.

For the year ended 31 December 2007, the aggregate amount of employer's contributions made by the Group to the MPF Scheme was approximately HK\$2,192,000 (2006: HK\$1,296,000) and no contribution was forfeited (2006: HK\$40,000).

- (ii) Pursuant to the relevant local regulations of the countries where the overseas subsidiaries of the Group are located, these subsidiaries participate in respective government retirement benefit schemes and/or set up their own schemes (collectively, the "Schemes") whereby they are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated either based on certain percentages of the applicable payroll costs or fixed sums for each employee with reference to a salary scale, as stipulated under the requirements in the respective countries. The Group has no further obligation beyond the required contributions. The contributions under the Schemes are charged to the consolidated income statement as incurred.

11. 僱員福利費用(包括董事酬金)(續)

(a) 退休金 – 定額供款計劃(續)

(i) (續)

僱主及僱員的供款均須受各位僱員每月相關收入20,000港元的上限所規限。至於每月相關收入少於5,000港元的僱員，自二零零三年二月一日起，該等僱員可自願作出供款。

截至二零零七年十二月三十一日止年度，本集團向強積金計劃作出的僱主供款總額為約2,192,000港元(二零零六年：1,296,000港元)，且並無被沒收供款(二零零六年：40,000港元)。

- (ii) 根據本集團海外附屬公司所在國家的相關地方法規，該等附屬公司參與各自的政府退休福利計劃，及／或設立其本身的計劃(統稱「有關計劃」)，據此，彼等須向有關計劃作出供款，以為合資格僱員的退休福利提供資金。向有關計劃作出的供款乃根據各位僱員的適用薪資成本的若干百分比或固定金額計算，並參考各國家的法規所規定的薪金範圍。本集團並無任何其他超出所規定供款的責任。該等計劃下的供款乃於作出時於綜合收益表中扣除。

Notes to the Consolidated Financial Statements 綜合財務報表附註

11. Employee Benefit Expenses (Including Directors' Emoluments) (continued)

(b) Directors' and senior management's emoluments

The remuneration of every Director for the year ended 31 December 2007 is set out below:

Name of Director	Fees	Salary	Discretionary bonuses	Quarters and housing allowance	Employer's contribution to pension scheme	Total
董事姓名	袍金	薪金	酌情發放的花紅	宿舍及房屋津貼	僱主向退休金計劃作出的供款	總計
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元
1. LIU Changle 劉長樂	-	4,963	1,800	924	458	8,145
2. CHUI Keung 崔強	-	2,033	1,200	1,000	188	4,421
3. WANG Ji Yan 王紀言	-	1,772	1,000	875	163	3,810
4. LAU Yu Leung, John 劉禹亮	-	-	-	-	-	-
5. LO Ka Shui 羅嘉瑞	200	-	-	-	-	200
6. XU Gang 許剛 (resigned on 12 Jan 2007) (於二零零七年一月十二日辭任)	-	-	-	-	-	-
7. GONG Jianzhong 龔建中	-	-	-	-	-	-
8. LEUNG Hok Lim 梁學濂	200	-	-	-	-	200
9. Thaddeus Thomas BECZAK Thaddeus Thomas BECZAK	200	-	-	-	-	200
10. GAO Nianshu 高念書	-	-	-	-	-	-
11. LU Xiangdong 魯向東	-	-	-	-	-	-
12. Paul Francis AIELLO Paul Francis AIELLO	-	-	-	-	-	-

As of 31 December 2007, Mr. LIU Changle, Mr. CHUI Keung and Mr. WANG Ji Yan had outstanding share options to purchase 5,320,000 (2006: 5,320,000), 3,990,000 (2006: 3,990,000) and 3,990,000 (2006: 3,990,000) shares of the Company at HK\$1.08 per share, respectively. No options were exercised during 2007 and the fair values of these options have not been included in the directors' emoluments disclosed above. The above outstanding share options had vested as at 31 December 2007.

11. 僱員福利費用(包括董事酬金)(續)

(b) 董事及高級管理人員的酬金

每名董事截至二零零七年十二月三十一日止年度的酬金載列如下：

Name of Director	Fees	Salary	Discretionary bonuses	Quarters and housing allowance	Employer's contribution to pension scheme	Total
董事姓名	袍金	薪金	酌情發放的花紅	宿舍及房屋津貼	僱主向退休金計劃作出的供款	總計
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元
1. LIU Changle 劉長樂	-	4,963	1,800	924	458	8,145
2. CHUI Keung 崔強	-	2,033	1,200	1,000	188	4,421
3. WANG Ji Yan 王紀言	-	1,772	1,000	875	163	3,810
4. LAU Yu Leung, John 劉禹亮	-	-	-	-	-	-
5. LO Ka Shui 羅嘉瑞	200	-	-	-	-	200
6. XU Gang 許剛 (resigned on 12 Jan 2007) (於二零零七年一月十二日辭任)	-	-	-	-	-	-
7. GONG Jianzhong 龔建中	-	-	-	-	-	-
8. LEUNG Hok Lim 梁學濂	200	-	-	-	-	200
9. Thaddeus Thomas BECZAK Thaddeus Thomas BECZAK	200	-	-	-	-	200
10. GAO Nianshu 高念書	-	-	-	-	-	-
11. LU Xiangdong 魯向東	-	-	-	-	-	-
12. Paul Francis AIELLO Paul Francis AIELLO	-	-	-	-	-	-

於二零零七年十二月三十一日，劉長樂先生、崔強先生及王紀言先生分別擁有可按每股1.08港元認購5,320,000股(二零零六年：5,320,000股)、3,990,000股(二零零六年：3,990,000股)及3,990,000股(二零零六年：3,990,000股)本公司股份的未行使購股權。購股權並無於二零零七內獲行使，而該等購股權的公平值亦未計入上文所披露的董事酬金內。上述未行使購股權已於二零零七年十二月三十一日歸屬。

Notes to the Consolidated Financial Statements 綜合財務報表附註

11. Employee Benefit Expenses (Including Directors' Emoluments) (continued)

11. 僱員福利費用(包括董事酬金)(續)

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

(b) 董事及高級管理人員的酬金(續)

The remuneration of every Director for the year ended 31 December 2006 is set out below:

每名董事截至二零零六年十二月三十一日止年度的酬金載列如下：

Name of Director	Fees	Salary	Discretionary bonuses	Quarters and housing allowance	Employer's contribution to pension scheme	Total	
董事姓名	袍金 \$'000 千元	薪金 \$'000 千元	酌情發放的花紅 \$'000 千元	宿舍及房屋津貼 \$'000 千元	僱主向退休金計劃作出的供款 \$'000 千元	總計 \$'000 千元	
1. LIU Changle	劉長樂	-	4,818	1,500	879	445	7,642
2. CHUI Keung	崔強	-	1,974	700	971	182	3,827
3. WANG Ji Yan (appointed on 29 September 2006) (Note A)	王紀言 (於二零零六年九月二十九日獲委任) (附註A)	-	1,722	700	848	159	3,429
4. Michelle Lee GUTHRIE (resigned on 29 September 2006)	Michelle Lee GUTHRIE (於二零零六年九月二十九日辭任)	-	-	-	-	-	-
5. LAU Yu Leung, John	劉禹亮	-	-	-	-	-	-
6. CHEUNG Chun On, Daniel (resigned on 29 September 2006)	張鎮安 (於二零零六年九月二十九日辭任)	-	-	-	-	-	-
7. LO Ka Shui	羅嘉瑞	200	-	-	-	-	200
8. CHEUNG San Ping (resigned on 29 September 2006)	張新兵 (於二零零六年九月二十九日辭任)	-	-	-	-	-	-
9. XU Gang	許剛	-	-	-	-	-	-
10. GONG Jianzhong	龔建中	-	-	-	-	-	-
11. LEUNG Hok Lim	梁學濂	200	-	-	-	-	200
12. Thaddeus Thomas BECZAK	Thaddeus Thomas BECZAK	200	-	-	-	-	200
13. GAO Nianshu (appointed on 29 September 2006)	高念書 (於二零零六年九月二十九日獲委任)	-	-	-	-	-	-
14. LU Xiangdong (appointed on 29 September 2006)	魯向東 (於二零零六年九月二十九日獲委任)	-	-	-	-	-	-
15. Paul Francis AIELLO (appointed on 29 September 2006)	Paul Francis AIELLO (於二零零六年九月二十九日獲委任)	-	-	-	-	-	-

Note A: Mr. WANG Ji Yan was appointed as a Director effective from 29 September 2006, the amount of remuneration covers full year 2006.

附註A：王紀言先生已獲委任為董事，由二零零六年九月二十九日起生效，酬金數額涵蓋二零零六年全年。

Notes to the Consolidated Financial Statements 綜合財務報表附註

11. Employee Benefit Expenses (Including Directors' Emoluments) (continued)

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2007 include three (2006: three) Executive Directors whose emoluments are reflected in the analysis presented in (a) above. The emoluments paid/payable to the remaining two (2006: two) individuals during the year are as follows:

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Salaries	薪金	4,198	4,076
Discretionary bonus	酌情發放的花紅	800	1,400
Housing allowance	房屋津貼	2,069	2,009
Pension fund	退休金	388	376
Compensation and others	補償金及其他	2,943	-
		10,398	7,861

The emoluments of the remaining two (2006: two) individuals fell within the following bands:

		Number of individuals 人數	
		2007 二零零七年	2006 二零零六年
Emolument band 酬金範圍			
HK\$3,000,001 – HK\$3,500,000	3,000,001 港元 – 3,500,000 港元	-	1
HK\$3,500,001 – HK\$4,000,000	3,500,001 港元 – 4,000,000 港元	1	-
HK\$4,000,001 – HK\$4,500,000	4,000,001 港元 – 4,500,000 港元	-	1
HK\$6,500,001 – HK\$7,000,000	6,500,001 港元 – 7,000,000 港元	1	-

During the year, no emoluments or incentive payments were paid or payable to the five highest paid individuals as an inducement to join the Group or as compensation for loss of office except as disclosed above (2006: Nil).

11. 僱員福利費用(包括董事酬金)(續)

(c) 五位最高薪人士

截至二零零七年十二月三十一日止年度，本集團五位最高薪人士中，包括三名(二零零六年：三名)執行董事，彼等酬金於上文(a)呈列的分析內反映。年內餘下兩名(二零零六年：兩名)人士支付／應付的酬金如下：

餘下兩名(二零零六年：兩名)人士的酬金介乎以下範圍：

除上文所披露者外，年內並無向五位最高薪人士支付或應付任何酬金或獎勵補償，以作為加入本集團的獎勵或作為退任補償(二零零六年：無)。

Notes to the Consolidated Financial Statements 綜合財務報表附註

12. Accounts Receivable, Net

12. 應收賬款淨額

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Accounts receivable	應收賬款	34,289	70,938
Less: Provision for impairment of receivables	減：應收賬款減值撥備	(8,623)	(14,779)
		25,666	56,159

The carrying amounts of accounts receivable, net, approximate their fair value.

The Group has appointed an advertising agent in the PRC to promote the sales of the Group's advertising airtime and programme sponsorship and collect advertising revenues within the PRC on behalf of the Group (Note 13). The Group generally requires customers to pay in advance.

The ageing analysis of the accounts receivable from customers is as follows:

應收賬款淨額的賬面值與彼等的公平值相近。

本集團已於中國委任一廣告代理，藉以於中國境內推廣本集團的廣告時段銷售及節目贊助，並替本集團收取廣告收入(附註13)。本集團一般要求客戶須預先支付款項。

應收客戶賬款的賬齡分析如下：

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
0-30 days	0至30日	10,320	31,446
31-60 days	31至60日	6,062	10,780
61-90 days	61至90日	3,843	4,343
91-120 days	91至120日	2,821	5,644
Over 120 days	120日以上	11,243	18,725
		34,289	70,938
Less: Provision for impairment of receivables	減：應收賬款減值撥備	(8,623)	(14,779)
		25,666	56,159

Notes to the Consolidated Financial Statements 綜合財務報表附註

12. Accounts Receivable, Net (continued)

The carrying amounts of the Group's accounts receivable are denominated in the following currencies:

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
RMB	人民幣	21,451	60,029
US\$	美元	6,789	7,509
UK pound	英鎊	6,049	3,400
		34,289	70,938

Movements on the provision for impairment of accounts receivable are as follows:

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
At 1 January	於一月一日	(14,779)	(127,065)
Provision for impairment of accounts receivable	應收賬款項減值撥備	(5,547)	(16,293)
Receivables written off during the year as uncollectible	年內撇銷不可收回的應收款項	6,463	128,593
Reversal of provision for impairment of accounts receivable	應收賬款減值撥備撥回	5,192	-
Exchange difference	匯兌差額	48	(14)
At 31 December	於十二月三十一日	(8,623)	(14,779)

The creation and release of provision for impairment of accounts receivable have been included in selling, general and administrative expenses in the income statement. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

There is no concentration of credit risk with respect to accounts receivable because the Group has a large number of customers.

12. 應收賬款淨額(續)

本集團應收賬款的賬面值以下列貨幣計值：

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
RMB	人民幣	21,451	60,029
US\$	美元	6,789	7,509
UK pound	英鎊	6,049	3,400
		34,289	70,938

應收賬款減值撥備的變動如下：

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
At 1 January	於一月一日	(14,779)	(127,065)
Provision for impairment of accounts receivable	應收賬款項減值撥備	(5,547)	(16,293)
Receivables written off during the year as uncollectible	年內撇銷不可收回的應收款項	6,463	128,593
Reversal of provision for impairment of accounts receivable	應收賬款減值撥備撥回	5,192	-
Exchange difference	匯兌差額	48	(14)
At 31 December	於十二月三十一日	(8,623)	(14,779)

應收賬款減值撥備之增加及撥回已計入收益表中銷售、一般及行政費用項下。當預期不收回額外現金時，一般會撇銷於備抵賬扣除之款項。

由於本集團擁有大量客戶，故本集團並無有關應收賬款的信貸集中風險。

Notes to the Consolidated Financial Statements 綜合財務報表附註

12. Accounts Receivable, Net (continued)

The Group has recognised a loss of HK\$5,547,000 (2006: HK\$16,293,000) for the impairment of its accounts receivable for the year ended 31 December 2007. The loss has been included in selling, general and administrative expenses in the consolidated income statement. The Group has written off HK\$6,463,000 (2006: HK\$128,579,000) of accounts receivable against the provision for impairment of accounts receivable made in prior years during the year. The Group has also reversed HK\$8,505,000 (2006: HK\$12,152,000) of previously written-off accounts receivable during the year.

As at 31 December 2007 accounts receivable of approximately HK\$25,666,000 (2006: HK\$56,159,000) were past due but not impaired. These related to a number of independent customers for whom there is no recent history of default. The ageing analysis of these accounts receivable is as follows:

Up to 90 days	0至90日
91 – 180 days	91至180日
Over 180 days	180日以上

12. 應收賬款淨額(續)

於截至二零零七年十二月三十一日止年度內，本集團就其應收賬款減值而確認虧損5,547,000港元(二零零六年：16,293,000港元)。該虧損已計入綜合收益表中銷售、一般及行政費用項下。本集團已於本年度內就過往年度作出之應收賬款減值撥備撇銷6,463,000港元(二零零六年：128,579,000港元)之應收賬款。本集團亦已於本年度內撥回先前撇銷之應收賬款8,505,000港元(二零零六年：12,152,000港元)。

於二零零七年十二月三十一日，應收賬款約25,666,000港元(二零零六年：56,159,000港元)已到期但未予減值。該等款項乃與多名近期並無違約紀錄之獨立客戶有關。該等應收賬款之賬齡分析如下：

	2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Up to 90 days	20,225	46,569
91 – 180 days	5,132	8,969
Over 180 days	309	621
	25,666	56,159

13. Prepayments, Deposits and Other Receivables

Included in prepayments, deposits and other receivables is an amount of approximately RMB357,994,000 (HK\$377,501,000) (2006: RMB346,928,000 or HK\$344,263,000) owing from an advertising agent, Shenzhou, in the PRC. The amount represents advertising revenue collected, net of expenses incurred by Shenzhou on behalf of the Group. The balance is unsecured and bears interest at prevailing bank interest rates.

The Group has set up a commercial and trust arrangement with Shenzhou, details of which have been disclosed in the announcement made by the Company on 25 September 2002.

13. 預付款項、按金及其他應收款項

預付款項、按金及其他應收款項包括一筆應收中國廣告代理神州的款項約人民幣357,994,000元(377,501,000港元)(二零零六年：人民幣346,928,000元或344,263,000港元)。此款項為神州代表本集團收取的廣告收入(已扣除支出)。結餘為無抵押及按現行銀行利率計息。

本集團與神州已訂立一項商業及信託安排，詳情已在本公司於二零零二年九月二十五日刊發的公告內披露。

Notes to the Consolidated Financial Statements 綜合財務報表附註

13. Prepayments, Deposits and Other Receivables (continued)

The Trust Law in the PRC enacted in recent years has not laid out specific detailed implementation rules applicable to trust arrangements such as that of the Group with Shenzhou, therefore the extent of the enforceability of the arrangement is still unclear. Although the management recognises that the present arrangement is the only legally viable arrangement, the management will continue to monitor and explore alternatives to improve the situation.

The management of the Group is of the opinion that the amount owing from Shenzhou of approximately RMB357,994,000 (HK\$377,501,000) as at 31 December 2007 is fully recoverable and no provision is required. The balance is repayable on demand and is not pledged.

The carrying amounts of prepayments, deposits and other receivables approximate their fair values.

14. Inventories

The cost of inventories recognised as expense and included in other income, net, amounted to HK\$615,000 (2006: HK\$626,000).

13. 預付款項、按金及其他應收款項(續)

然而，中國近年推出的信託法對本集團與神州的信託安排而言並無詳細的落實規定，因此，未能肯定該安排中可依法執行的範圍。雖然管理層了解到現行安排乃法律上唯一可行的安排，但管理層將繼續監察及研究其他可行辦法以改善有關情況。

本集團管理層認為，於二零零七年十二月三十一日神州結欠之款項約人民幣357,994,000元(377,501,000港元)將可悉數收回，故此毋須作出撥備。有關款項按要求時償還，且並無抵押。

預付款項、按金及其他應收款項的賬面值與彼等的公平值相近。

14. 存貨

	2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Decoder devices and satellite receivers 解碼器器材及衛星接收器	4,585	4,952

存貨成本為數615,000港元(二零零六年：626,000港元)已確認作費用，並計入其他收入淨額項下。

Notes to the Consolidated Financial Statements 綜合財務報表附註

15. Amounts due from/to Related Companies

15. 應收／應付有關連公司款項

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Amounts due from related companies	應收有關連公司款項	3,840	38
Amounts due to related companies	應付有關連公司款項	(3,506)	(4,743)

At 31 December 2007, the ageing analysis of the amounts due from/to related companies, were as follows:

於二零零七年十二月三十一日，應收／付有關連公司款項之賬齡分析如下：

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Amounts due from related companies	應收有關連公司款項		
0 – 90 days	0 至 90 日	3,745	26
91 – 120 days	91 至 120 日	–	–
over 120 days	120 日以上	95	12
		3,840	38
Amounts due to related companies	應付有關連公司款項		
0 – 90 days	0 至 90 日	3,503	4,740
91-120 days	91 至 120 日	–	–
over 120 days	120 日以上	3	3
		3,506	4,743

The outstanding balances with related companies are aged less than one year and are unsecured, non-interest bearing and repayable on demand (2006: Same).

有關連公司的未支付結餘賬齡少於一年，並為無抵押、免息及按要求償還(二零零六年：同)。

The carrying amounts of amounts due from/to related companies approximate their fair values.

應收／付有關連公司款項的賬面值與其公平值相若。

Notes to the Consolidated Financial Statements 綜合財務報表附註

16. Purchased Programme and Film Rights, Net

16. 購入節目及電影版權淨額

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Balance, beginning of year	年初結餘	17,976	20,109
Additions	添置	20,612	16,728
Amortisation	攤銷	(17,799)	(17,011)
Impairment loss	減值虧損	-	(1,680)
Others	其他	(77)	(170)
Balance, end of year	年終結餘	20,712	17,976
Less: Purchased programme and film rights - current portion	減：購入節目及電影版權 - 短期部份	(2,889)	(4,061)
		17,823	13,915

Notes to the Consolidated Financial Statements 綜合財務報表附註

17. Lease Premium for Land

The Group's interests in land use rights represent prepaid operating lease payments and their net book value are analysed as follows:

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
In Hong Kong, held on:	於香港，持有：		
Leases of over 10 to 50 years	超過10至50年的租賃	39,547	-
Outside Hong Kong, held on:	香港境外，持有：		
Leases of over 10 to 50 years	超過10至50年的租賃	93,263	74,696
		132,810	74,696
		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Balance, beginning of year	年初結餘	74,696	-
Additions (Note a)	添置 (附註 a)	60,100	75,236
Amortisation (Note b)	攤銷費用 (附註 b)	(1,986)	(540)
Balance, end of year	年終結餘	132,810	74,696

(a) Additions for the year ended 31 December 2007 represented:

- (i) Taxes amounting to HK\$2,322,000 paid for the title registration for the land use rights of a villa (the "Villa") received in a barter transaction with Mission Hills Group Limited ("Mission Hills") in the PRC (Note 18(b)).

17. 土地租賃費用

本集團於土地使用權之權益指預付經營租賃付款，及其賬面淨值分析如下：

(a) 截至二零零七年十二月三十一日止年度的添置指：

- (i) 於中國就與駿豪集團有限公司(「駿豪」)進行的易貨交易中所接收別墅(「該別墅」)的土地使用權之業權登記而支付的稅項為數2,322,000港元(見附註18(b))。

Notes to the Consolidated Financial Statements 綜合財務報表附註

17. Lease Premium for Land (continued)

- (a) (continued)
- (ii) Pursuant to an agreement dated 29 October 2003 and the two supplementary agreements dated 12 May 2005 and 27 July 2007 respectively, the Group entered into a construction development project with Oasiscity Limited ("Oasiscity"), a wholly-owned subsidiary of Neo-China Land Group (Holdings) Limited, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong. Under the terms of the contracts, the Group was effectively entitled to 10,000 square meters of the non-saleable areas in a building in Shenzhen (the "Shenzhen Building") upon the completion of development in exchange for the land use rights previously obtained by the Group for the land on which the building stands. The Shenzhen Building was completed in December 2006 and the Group began its use of its entitled areas in the building. As at 31 December 2006, the Group's entitlement to use was accounted for as a finance lease as the Group did not have title to its entitled areas. On 20 November 2007, pursuant to a notification from the Shenzhen Municipal Bureau of Land Resources and Housing Management, the Group paid a land premium of RMB16,574,000 (equivalent to approximately HK\$17,133,000) and related land tax of RMB497,000 (equivalent to approximately HK\$514,000) to the Shenzhen Municipal Bureau of Land Resources and Housing Management to obtain a title certificate in the name of Phoenix Satellite Television Company Limited (the "Phoenix Subsidiary"), a wholly-owned subsidiary of the Group, for the Group's upper ground space entitlement of 8,500 square meters. As of 31 December 2007, The Group was still awaiting the issuance of the title certificate to the Phoenix Subsidiary by the Shenzhen Municipal Government. The Directors are of the opinion that the title certificate of the Shenzhen Building will be issued in the near future.

17. 土地租賃費用(續)

- (a) (續)
- (ii) 根據於二零零三年十月二十九日訂立之協議及分別於二零零五年五月十二日及二零零七年七月二十七日訂立之補充協議，本集團與中新地產集團(控股)有限公司(其股份於香港聯合交易所有限公司主板上市)的全資附屬公司Oasiscity Limited(「Oasiscity」)訂立一個建築開發項目，根據協議條款，於開發項目完工時，本集團享有一幢深圳樓宇(「深圳樓宇」)10,000平方米的非出售面積，以交換本集團先前獲得之該樓宇所在土地之土地使用權。深圳樓宇於二零零六年十二月落成，且本集團已開始使用其於樓宇內可享有的面積。於二零零六年十二月三十一日，由於本集團並未獲得其可享有面積的業權，因此，本集團享有的該使用權利已入賬列為融資租賃。於二零零七年十一月二十日，根據深圳市國土資源和房產管理局的通知，本集團向深圳市國土資源和房產管理局支付地價人民幣16,574,000元(約等於17,133,000港元)及相關土地稅人民幣497,000元(約等於514,000港元)，以就本集團享有的樓面空間8,500平方米以本集團的全資附屬公司鳳凰衛視有限公司(「鳳凰附屬公司」)的名義獲得業權證。於二零零七年十二月三十一日，本集團仍在等待深圳市政府向鳳凰附屬公司頒發該業權證。董事認為，深圳樓宇之業權證將在不久將來獲得。

Notes to the Consolidated Financial Statements 綜合財務報表附註

17. Lease Premium for Land (continued)

- (a) (continued)
 (iii) Land lease premium for the property in the Tai Po Industrial Estate in Hong Kong

On 14 September 2006, Phoenix Centre (Hong Kong) Limited (“Phoenix Centre”), an indirect wholly-owned subsidiary of the Company, as purchaser, and Phoenix Satellite Television Company Limited, an indirect wholly-owned subsidiary of the Company, as Phoenix Centre’s guarantor, entered into a sale and purchase agreement (the “Sale and Purchase Agreement”) with Freescale Semiconductor Hong Kong Limited (“Freescale”) (formerly known as Motorola Semiconductors Hong Kong, Limited) as vendor, whereby Phoenix Centre agreed to purchase a property located in the Tai Po Industrial Estate in Hong Kong (the “Property”), for a total consideration of US\$15,500,000 (equivalent to approximately HK\$120,900,000) (the “Consideration”).

In accordance with the requirements of the Hong Kong Science and Technology Parks Corporation, the lessor of the leasehold land of the Property, Phoenix Centre has also undertaken to complete installation of new machinery and equipment with a value of not less than HK\$105,000,000 at the Property within 48 months of 31 May 2007, and to commence operation of the facility within 18 months from the completion date.

In May 2007, the Group completed the purchase and took possession of the Property. The total cost of the Property, including relevant taxes and purchase expenses, is approximately HK\$126,238,000, and has been allocated between the lease premium for land (approximately HK\$40,131,000) and the cost of the building (approximately HK\$86,107,000) based on a valuation of the Property as at 31 May 2007 by an independent valuer.

- (b) For the year ended 31 December 2007, amortisation of lease premium for land capitalised in construction in progress under property, plant and equipment amounted to HK\$584,000 (2006: Nil).

17. 土地租賃費用(續)

- (a) (續)
 (iii) 於香港大埔工業物業的土地租賃費用

於二零零六年九月十四日，鳳凰中心(香港)有限公司(「鳳凰中心」)(本公司的間接全資附屬公司，作為買方)及鳳凰衛視有限公司(本公司的間接全資附屬公司，作為鳳凰中心的擔保人)與飛思卡爾半導體香港有限公司(「飛思卡爾」)(前稱萬力半導體香港有限公司，作為賣方)訂立買賣協議，據此鳳凰中心同意購買一幢位於香港大埔工業邨的物業(「該物業」)，涉及總代價為15,500,000美元(相當於約120,900,000港元)(「該代價」)。

根據該物業的租賃土地出租人香港科技園公司的規定，鳳凰中心亦承諾於二零零七年五月三十一日起48個月內在該物業完成安裝價值不少於105,000,000港元的新機器及設備，並於購買完成日期起18個月內開始設施運作。

於二零零七年五月，本集團完成購置及擁有該物業。該物業的總成本(包括相關稅項及購置費用)約為126,238,000港元，並根據獨立估值師於二零零七年五月三十一日對該物業之估值，已分配至土地租賃費用(約40,131,000港元)及建築成本(約86,107,000港元)。

- (b) 截至二零零七年十二月三十一日止年度，土地租賃費用之攤銷已於物業、廠房及設備項下之在建工程中資本化為584,000港元(二零零六年：無)。

Notes to the Consolidated Financial Statements 綜合財務報表附註

18. Property, Plant and Equipment, Net

18. 物業、廠房及設備淨額

		Buildings	Leasehold improve- ments	Furniture and fixtures	Broadcast operations and other equipment	Motor vehicles	Construc- tion in progress	Total
		樓宇	租賃 物業裝修	傢俬及 裝置	廣播營運及 其他設備	汽車	在建工程	總計
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元	千元	千元
At 1 January 2006	於二零零六年一月一日							
Cost	成本	-	24,120	2,842	119,612	9,916	-	156,490
Accumulated depreciation	累計折舊	-	(14,915)	(2,206)	(89,490)	(5,361)	-	(111,972)
Net book amount	賬面淨值	-	9,205	636	30,122	4,555	-	44,518
Year ended 31 December 2006	截至二零零六年十二月三十一日止年度							
Opening net book amount	期初賬面淨值	-	9,205	636	30,122	4,555	-	44,518
Exchange differences	匯兌差額	-	104	11	645	(31)	-	729
Additions	添置	25,307	4,348	110	17,624	1,768	36,706	85,863
Disposals	出售	-	-	-	-	(110)	-	(110)
Depreciation	折舊	(352)	(6,109)	(237)	(15,136)	(1,539)	-	(23,373)
Impairment	減值	-	(256)	(188)	(233)	-	-	(677)
Closing net book amount	期終賬面淨值	24,955	7,292	332	33,022	4,643	36,706	106,950
At 31 December 2006	於二零零六年十二月三十一日							
Cost	成本	25,307	28,530	2,888	136,946	11,501	36,706	241,878
Accumulated depreciation and impairment	累計折舊及減值	(352)	(21,238)	(2,556)	(103,924)	(6,858)	-	(134,928)
Net book amount	賬面淨值	24,955	7,292	332	33,022	4,643	36,706	106,950
Year ended 31 December 2007	截至二零零七年十二月三十一日止年度							
Opening net book amount	期初賬面淨值	24,955	7,292	332	33,022	4,643	36,706	106,950
Exchange differences	匯兌差額	-	(127)	21	650	101	-	645
Additions (Note a and b)	添置 (附註 a 及 b)	781	14,444	2,350	20,921	11,637	120,148	170,281
Disposals	出售	-	-	-	(203)	(1,064)	-	(1,267)
Depreciation	折舊	(1,334)	(6,995)	(520)	(14,253)	(4,330)	-	(27,432)
Impairment	減值	-	(143)	-	(83)	-	-	(226)
Transfer/reclassification (Note b and c)	轉撥/重新分類 (附註 b 及 c)	5,980	5,858	-	-	-	(11,838)	-
Closing net book amount	期終賬面淨值	30,382	20,329	2,183	40,054	10,987	145,016	248,951
At 31 December 2007	於二零零七年十二月三十一日							
Cost	成本	32,068	48,781	5,298	160,779	19,822	145,016	411,764
Accumulated depreciation and impairment	累計折舊及減值	(1,686)	(28,452)	(3,115)	(120,725)	(8,835)	-	(162,813)
Net book amount	賬面淨值	30,382	20,329	2,183	40,054	10,987	145,016	248,951

Depreciation expense of HK\$14,253,000 (2006: HK\$15,136,000) has been included in operating expenses, and HK\$13,179,000 (2006: HK\$8,237,000) in selling, general and administrative expenses.

折舊費用 14,253,000 港元 (二零零六年: 15,136,000 港元) 已計入經營費用內, 而 13,179,000 港元 (二零零六年: 8,237,000 港元) 乃計入銷售、一般及行政費用內。

Notes to the Consolidated Financial Statements 綜合財務報表附註

18. Property, Plant and Equipment, Net (continued)

- (a) Additions to construction in progress for the year ended 31 December 2007 include the building element of the Property in the Tai Po Industrial Estate in Hong Kong with cost of approximately HK\$86,107,000 (Note 17(a)(iii)) and cost of interior fitting out of approximately HK\$28,013,000.
- (b) On 23 June 2006, the Group entered into a strategic cooperation agreement (the “Strategic Cooperation Agreement”) and a barter agreement (the “Barter Agreement”) with Mission Hills. According to the Strategic Cooperation Agreement, the Group would provide advertising airtime on its satellite television channels and assist Mission Hills in the planning and promotion of the corporate image and branding of Mission Hills by using the Group’s resources and leading position in the media industry. The contract term of the Strategic Cooperation Agreement is five years from the date of the contract.

Under the Barter Agreement, Mission Hills transferred the title, rights and interests of a villa in Mission Hills in Residence development to the Group at a price of approximately HK\$98,000,000 and in exchange, the Group would provide: (1) airtime for advertisements for five years from the date of the Barter Agreement of an equivalent value based on charging rates that are at a discount to the Group’s normal rate card charges and (2) services related to the planning and promotion of the corporate image and branding of Mission Hills and its projects. The Group took possession of the Villa in July 2006 and received title in February 2007. Interior fitting out of the villa began in 2007. The cost of the building portion of the villa of approximately HK\$25,307,000 together with fitting out costs of HK\$5,443,000 was included in construction in progress during the year ended 31 December 2007.

For the year ended 31 December 2007, the Group recognised revenue of approximately HK\$9,825,000 (2006: HK\$22,856,000) for services provided to Mission Hills, and approximately HK\$4,399,000 (2006: HK\$9,827,000) for airtime utilised. As at 31 December 2007, the unutilised value of airtime and services totaling HK\$51,137,000 has been recorded in deferred income in the balance sheet.

18. 物業、廠房及設備淨額(續)

- (a) 截至二零零七年十二月三十一日止年度的添置在建工程包括香港大埔工業邨中該物業的建築部份，成本約為86,107,000港元(見附註17(a)(iii))及內部裝修成本約為28,013,000港元。
- (b) 於二零零六年六月二十三日，本集團與駿豪訂立戰略合作協議(「戰略合作協議」)及易貨協議(「易貨協議」)。根據戰略合作協議，本集團將在其衛星電視頻道提供廣告時段，並透過利用本集團資源及在媒體業的領導地位協助駿豪規劃及宣傳駿豪的企業形象及品牌。戰略合作協議的合同期限乃由訂立合同日期起計為期五年。

根據易貨協議，駿豪以約98,000,000港元之價格向本集團轉讓在觀瀾湖高爾夫大宅發展項目中之一所別墅的業權、權利及權益，而作為交換，本集團將提供：(1)由訂立易貨協議日期起計為期五年的同等價值廣告時段(根據較本集團按一般價目表收費有折讓的收費水平計算)及(2)有關規劃及宣傳駿豪及其項目的企業形象及品牌的服務。本集團已於二零零六年七月擁有該別墅，並於二零零七年二月接收其業權。該別墅的內部裝修自二零零七年開始。該別墅的建築部份成本約25,307,000港元及裝修成本5,443,000港元乃計入截至二零零七年十二月三十一日止年度的在建工程內。

截至二零零七年十二月三十一日止年度，本集團就提供予駿豪之服務而確認收入約9,825,000港元(二零零六年：22,856,000港元)，就已動用之廣告時段確認收入約為4,399,000港元(二零零六年：9,827,000港元)。於二零零七年十二月三十一日，合共51,137,000港元的未使用廣告時段及服務已計入資產負債表中的遞延收入內。

Notes to the Consolidated Financial Statements 綜合財務報表附註

18. Property, Plant and Equipment, Net (continued)

- (c) The balance includes an amount of HK\$30,848,000 which relates to the Group's entitlement to use 10,000 square meters in the Shenzhen Building (Note 17(a)(ii)). The Building was completed in December 2006 and the Group began fitting out its entitled areas in the Building. Fitting out was completed in 2007 and the balance was transferred from construction in progress to buildings and leasehold improvements. The Group's entitlement to use was accounted for as a finance lease as at 31 December 2007. As at 31 December 2007, the cost of this capitalised finance lease was HK\$30,848,000 (2006: HK\$30,848,000) with a net book value of HK\$30,382,000 (2006: HK\$30,848,000). As at 31 December 2007, the Group was in the process of obtaining the title certificate to the 8,500 square meters of the entitled areas through the payment of land premium and taxes (see Note 17(a)(ii)).

18. 物業、廠房及設備淨額(續)

- (c) 結餘包括與本集團可享有深圳樓宇中的10,000平方米使用權利有關的款額30,848,000港元(附註17(a)(ii))。該樓宇於二零零六年十二月落成,而本集團已開始裝修其於該樓宇中可享有的面積。裝修於二零零七年完成且結餘已從在建工程轉撥至樓宇及租賃裝修。本集團可享有的使用權利已於二零零七年十二月三十一日入賬列為融資租賃。於二零零七年十二月三十一日,該資本化融資租賃的成本為30,848,000港元(二零零六年:30,848,000港元),賬面淨值為30,382,000港元(二零零六年:30,848,000港元)。於二零零七年十二月三十一日,本集團正透過支付地價及稅項獲取可享有權利的8,500平方米面積之業權證(見附註17(a)(ii))。

19. Investments in Jointly Controlled Entities

19. 於共同控制實體的投資

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Unlisted investments, at cost, beginning of the year	非上市投資,按成本列賬,年初	13,246	11,972
Capital injection into a jointly controlled entity	向共同控制實體注資	-	1,274
Unlisted investments, at cost, end of the year	非上市投資,按成本列賬,年終	13,246	13,246
Less: provision for impairment	減:減值撥備	(472)	(472)
Less: share of jointly controlled entities' results – net loss	減:攤佔共同控制實體業績-虧損淨額	(4,491)	(3,424)
Unlisted investments, net, end of the year	非上市投資淨額,年終	8,283	9,350

Notes to the Consolidated Financial Statements 綜合財務報表附註

19. Investments in Jointly Controlled Entities (continued) 19. 於共同控制實體的投資(續)

Details of the jointly controlled entities as at 31 December 2007 were as follows:

於二零零七年十二月三十一日的共同控制實體詳情如下：

Name	Place and date of incorporation	Place of operation	Principal activity	Percentage of equity interest held by the Group	Issued and fully paid share capital/registered capital
名稱	註冊成立地點及日期	營運地點	主要業務	本集團直接持有的股本權益百分比	已發行及繳足股本／註冊資本
China Global Television Limited 中國環球電視有限公司	British Virgin Islands, 18 October 2001 英屬處女群島， 二零零一年十月十八日	British Virgin Islands 英屬處女群島	Dormant 暫無營業	50%	US\$2 2美元
北京翡翠鳳凰文化投資諮詢有限公司	The PRC, 27 June 2003 中國， 二零零三年六月二十七日	The PRC 中國	Dormant 暫無營業	40%	RMB1,250,000 人民幣 1,250,000元
北京同步廣告傳播有限公司 (Note a) (附註a)	The PRC, 7 January 2005 中國， 二零零五年一月七日	The PRC 中國	Advertising business in radio broadcasting industry in the PRC 中國無線電廣播業的廣告業務	45%	RMB30,000,000 人民幣 30,000,000元

Notes to the Consolidated Financial Statements 綜合財務報表附註

19. Investments in Jointly Controlled Entities (continued)

- (a) On 8 June 2007, Hong Kong Phoenix Satellite Television Limited (“Hong Kong Phoenix”), an indirect wholly-owned subsidiary of the Company, entered into an agreement (the “Agreement”) with 北京廣播公司 and CBC Advertising Limited pursuant to which the registered capital of 北京同步廣告傳播有限公司 will be increased from RMB30,000,000 to RMB44,600,000. According to the Agreement, the increase in capital is to be contributed by Hong Kong Phoenix and CBC Advertising Limited as to RMB2,110,000 and RMB12,488,000, respectively. Subject to certain conditions, Hong Kong Phoenix and CBC Advertising Limited will have to inject no less than RMB422,000 and RMB2,497,600, respectively, five days prior to the application for the capital increment with the relevant authorities in Mainland China and must inject the remaining funds within one month after the issuance of the business licence reflecting the capital increment. Immediately after the capital increment, the registered capital of 北京同步廣告傳播有限公司 owned by the Group, 北京廣播公司 and CBC Advertising Limited will change from 45%, 55% and 0% to 35%, 37% and 28% respectively.

19. 於共同控制實體的投資(續)

- (a) 於二零零七年六月八日，本公司的間接全資附屬公司香港鳳凰衛視有限公司（「香港鳳凰衛視」）與北京廣播公司及希比思廣告有限公司簽署一份協議（「該協議」），據此北京同步廣告傳播有限公司的註冊資本將由人民幣30,000,000元增加至人民幣44,600,000元。根據該協議，香港鳳凰衛視及希比思廣告有限公司將分別增資人民幣2,110,000元及人民幣12,488,000元。根據若干條件，香港鳳凰衛視及希比思廣告有限公司將須於向中國有關當局申請增資前五日，分別注入不少於人民幣422,000元及人民幣2,497,600元，並須於發出有關增資的營業執照後一個月內注入其餘資金。緊隨增資後，本集團、北京廣播公司及希比思廣告有限公司擁有北京同步廣告傳播有限公司的註冊資本分別由45%、55%及0%改為35%、37%及28%。

Notes to the Consolidated Financial Statements 綜合財務報表附註

19. Investments in Jointly Controlled Entities (continued) 19. 於共同控制實體的投資(續)

(a) (continued)

As of 31 December 2007, the Group and CBC Advertising Limited are in the process of obtaining the approvals from relevant Mainland Chinese government departments for the capital increment and none of the additional capital has been injected into 北京同步廣告傳播有限公司 by the joint venture parties.

Unaudited combined financial information of the jointly controlled entities was as follows:

(a) (續)

於二零零七年十二月三十一日，本集團及希比思廣告有限公司尚在為增資獲得中國有關政府部門的批准，且合營各方並未向北京同步廣告傳播有限公司注入任何額外資本。

共同控制實體的未經審核合併財務資料如下：

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Assets:	資產：		
Non-current assets	非流動資產	229	267
Current assets	流動資產	20,954	22,271
		21,183	22,538
Liabilities:	負債：		
Current liabilities	流動負債	110	285
		110	285
Net assets	資產淨值	21,073	22,253
Income	收入	20,687	-
Expenses	支出	(23,009)	(3,427)
Loss after income tax	除所得稅後虧損	(2,322)	(3,427)

There are no contingent liabilities relating to the Group's interests in the jointly controlled entities, and no contingent liabilities of the jointly controlled entities themselves.

本集團並無與其於共同控制實體的權益有關的任何或有負債，而共同控制實體本身亦無任何或有負債。

Notes to the Consolidated Financial Statements 綜合財務報表附註

20. Financial Instruments by Category

20. 按類別劃分的財務工具

The accounting policies for financial instruments have been applied to the line items below:

有關財務工具的會計政策已應用於以下各項：

Group	本集團				Total
		Loans and receivables	Financial assets at fair value through profit or loss	Available-for-sale financial assets	
		按公平值透過損益	記賬的	可供銷售	
		財務資產	財務資產	財務資產	總計
		\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元
Assets per consolidated balance sheet	於綜合資產負債表列賬的資產				
<i>31 December 2007</i>	<i>二零零七年十二月三十一日</i>				
Available-for-sale financial assets	可供銷售財務資產	-	-	962	962
Financial assets at fair value through profit or loss (Note 21)	按公平值透過損益記賬的財務資產 (附註21)	-	76,638	-	76,638
Loans and receivables	貸款及應收款項	120,260	-	-	120,260
Accounts receivable (Note 12)	應收賬款 (附註12)	34,289	-	-	34,289
Prepayments, deposits and other receivables (Note 13)	預付款項、按金及其他應收款項 (附註13)	449,551	-	-	449,551
Amounts due from related companies	應收有關連公司款項	3,840	-	-	3,840
Cash and cash equivalents (Note 25)	現金及現金等值項目 (附註25)	531,257	-	-	531,257
Total	總計	1,139,197	76,638	962	1,216,797
<i>31 December 2006</i>	<i>二零零六年十二月三十一日</i>				
Available-for-sale financial assets	可供銷售財務資產	-	-	962	962
Financial assets at fair value through profit or loss (Note 21)	按公平值透過損益記賬的財務資產 (附註21)	-	102,506	-	102,506
Loans and receivables	貸款及應收款項	69,136	-	-	69,136
Accounts receivable (Note 12)	應收賬款 (附註12)	70,938	-	-	70,938
Prepayments, deposits and other receivables (Note 13)	預付款項、按金及其他應收款項 (附註13)	407,376	-	-	407,376
Amounts due from related companies	應收有關連公司款項	38	-	-	38
Cash and cash equivalents (Note 25)	現金及現金等值項目 (附註25)	543,417	-	-	543,417
Total	總計	1,090,905	102,506	962	1,194,373

Notes to the Consolidated Financial Statements 綜合財務報表附註

20. Financial Instruments by Category (continued) 20. 按類別劃分的財務工具(續)

		Other financial liabilities 其他財務負債	Total 總計
		\$'000 千元	\$'000 千元
Liabilities per consolidated balance sheet			
31 December 2007			
Accounts payable, other payables and accruals	於綜合資產負債表列賬的負債 二零零七年十二月三十一日 應付賬款、其他應付款項 及應計費用	106,736	106,736
Deferred income	遞延收入	95,365	95,365
Amounts due to related companies	應付有關連公司款項	3,506	3,506
Total	總計	205,607	205,607
31 December 2006			
Accounts payable, other payables and accruals	於綜合資產負債表列賬的負債 二零零六年十二月三十一日 應付賬款、其他應付款項 及應計費用	119,378	119,378
Deferred income	遞延收入	119,580	119,580
Amounts due to related companies	應付有關連公司款項	4,743	4,743
Total	總計	243,701	243,701
Company			
本公司			
Loans and Receivables			
貸款及應收款項			
\$'000 千元			
Assets as per balance sheet			
31 December 2007			
Cash and cash equivalents (Note 25)	於資產負債表列賬的資產 二零零七年十二月三十一日 現金及現金等值項目 (附註25)		336
31 December 2006			
Cash and cash equivalents (Note 25)	於資產負債表列賬的資產 二零零六年十二月三十一日 現金及現金等值項目 (附註25)		7,458
Other financial liabilities			
其他財務負債			
\$'000 千元			
Liabilities as per balance sheet			
31 December 2007			
Other payables and accruals	於資產負債表列賬的負債 二零零七年十二月三十一日 其他應付款項及應計費用		150
31 December 2006			
Other payables and accruals	於資產負債表列賬的負債 二零零六年十二月三十一日 其他應付款項及應計費用		154

Notes to the Consolidated Financial Statements 綜合財務報表附註

21. Financial Assets at Fair Value through Profit or Loss

21. 按公平值透過損益記賬的財務資產

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Unlisted investments at fair value	非上市投資，按公平值列賬	76,638	102,506
Less: Non-current portion	減：長期部份	(39,757)	(80,027)
		36,881	22,479

The above investments were designated as fair value through profit or loss on initial recognition. Investments with a maturity longer than one year at the inception date are classified as non-current. Changes in fair values (realised and unrealised) of financial assets at fair value through profit or loss are recognised in other income in the income statement (Note 5).

As these investments are not publicly traded and in the absence of readily available information to determine the fair values of these investments, the Group has adopted the indicative market value provided by the issuers as its best estimate of the fair values of these investments.

上述投資乃於初步確認時被指定為按公平值透過損益記賬的財務資產。按初始日至到期日超過一年的投資乃分類作長期部份。按公平值透過損益記賬的財務資產的已變現及未變現公平值變動乃記入收益表中其他收入項下(附註5)。

由於該等投資並不公開買賣及缺乏可用的便利資料，以釐定該等投資的公平值，故本集團採納發行人提供的指示市場價值作為該等投資的最佳估計公平值。

Notes to the Consolidated Financial Statements 綜合財務報表附註

22. Credit Quality of Financial Assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates:

Accounts receivable

應收賬款

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Counterparties without external credit rating	沒有外部信貸評級的交易對手		
Group 1	組別一	29	10,671
Group 2	組別二	34,260	60,267
Total accounts receivable	應收賬款總額	34,289	70,938

Group 1 – new customers (less than 6 months) with no business relationships in the past.
Group 2 – existing customers with no defaults in the past.

過往既無逾期未付亦無出現減值的財務資產的信貸質素可參考有關交易對手違約息率的歷史資料予以評估：

組別一—過去並沒有商務往來的新客戶(少於六個月)
組別二—過去並無違約的現有客戶

Cash and cash equivalents

Ratings of banks at which cash and deposits are held by rating agencies.

現金及現金等值項目

對持有現金及存款的銀行的評級由評級代理進行。

		Group 本集團		Company 本公司	
		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元	2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
AA	AA	75,648	49,256	280	7,402
A	A	14,251	7,306	56	56
A-	A-	52,415	53,808	—	—
BBB	BBB	261,510	215,116	—	—
Others (Note a)	其他(附註a)	126,987	216,640	—	—
		530,811	542,126	336	7,458

Note a: Others represented cash held at banks without credit rating.

附註a：其他指由未作信用評級之銀行持有的現金。

Notes to the Consolidated Financial Statements 綜合財務報表附註

22. Credit Quality of Financial Assets (continued)

22. 財務資產的信貨質素(續)

Loans and receivables

貸款及應收款項

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
AA	AA	–	38,794
A–	A–	–	30,342
BBB	BBB	21,090	–
Others (Note b)	其他 (附註 b)	99,170	–
		120,260	69,136

Note b: Others represented short-term deposits placed at banks without credit rating.

附註 b: 其他指存於未作信用評級的銀行的短期存款。

Financial assets at fair value through profit or loss

按公平值透過損益記賬的財務資產

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
AA	AA	24,748	22,479
A	A	51,890	80,027
		76,638	102,506

None of the financial assets that are fully performing has been renegotiated in the last year.

正在全面履行的財務資產於去年並無予以重新磋商。

Notes to the Consolidated Financial Statements 綜合財務報表附註

23. Interests in Subsidiaries and Amount due from a Subsidiary, Net

23. 於附屬公司的權益及應收一間附屬公司款項淨額

		Company 本公司	
		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Unlisted shares, at cost (Note a)	非上市股份，按成本 (附註a)	—	—
Amount due from a subsidiary, net (Note b)	應收一間附屬公司款項淨額 (附註b)	1,117,649	1,170,216
		1,117,649	1,170,216

(a) Details of subsidiaries as at 31 December 2007 were as follows:

(a) 於二零零七年十二月三十一日的附屬公司詳情如下：

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點及 法定實體類別	Place of operation 營運地點	Principal activities 主要業務	Percentage of equity interest held by the Group 本集團所持 股本權益 百分比	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本
Phoenix Satellite Television Company Limited 鳳凰衛視有限公司	Hong Kong, limited liability company 香港 有限責任公司	Hong Kong 香港	Provision of management and related services 提供管理及有關服務	100%	HK\$20 20港元
Phoenix Satellite Television (Chinese Channel) Limited 鳳凰衛視中文台有限公司	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	Hong Kong 香港	Satellite television broadcasting 衛星電視廣播	100%	US\$1 1美元
Phoenix Satellite Television (Movies) Limited 鳳凰衛視電影台有限公司	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	Hong Kong 香港	Satellite television broadcasting 衛星電視廣播	100%	US\$1 1美元
Phoenix Satellite Television Trademark Limited 鳳凰衛視商標有限公司	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	British Virgin Islands 英屬處女群島	Trademark holding 持有商標	100%	US\$1 1美元

Notes to the Consolidated Financial Statements 綜合財務報表附註

23. Interests in Subsidiaries and Amount due from a Subsidiary, Net (continued)

(a) Details of subsidiaries as at 31 December 2007 were as follows: (continued)

23. 於附屬公司的權益及應收一間附屬公司款項淨額(續)

(a) 於二零零七年十二月三十一日的附屬公司詳情如下：(續)

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點及 法定實體類別	Place of operation 營運地點	Principal activities 主要業務	Percentage of equity interest held by the Group 本集團所持 股本權益 百分比	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本
Phoenix Satellite Television (Europe) Limited 鳳凰衛視歐洲台有限公司	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100%	US\$1 1美元
PCNE Holdings Limited	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	British Virgin Islands 英屬處女群島	Investment holding 投資控股	70%	US\$1,000 1,000美元
Phoenix Chinese News & Entertainment Limited	The United Kingdom, limited liability company 英國 有限責任公司	The United Kingdom 英國	Satellite television broadcasting 衛星電視廣播	70%	£9,831,424 9,831,424英鎊
Phoenix Satellite Television Information Limited 鳳凰資訊有限公司	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100%	US\$1 1美元
PHOENIXi Investment Limited (Note a (i)) (附註 a (i))	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	British Virgin Islands 英屬處女群島	Investment holding 投資控股	94.3%	US\$123,976 (Ordinary shares) US\$7,500 (Series A preferred shares) 123,976美元 (普通股) 7,500美元 (A組優先股)
PHOENIXi, Inc.	The United States of America, limited liability company 美利堅合眾國 有限責任公司	The United States of America 美利堅合眾國	Dormant 暫無營業	94.3%	US\$0.1 0.1美元

Notes to the Consolidated Financial Statements 綜合財務報表附註

23. Interests in Subsidiaries and Amount due from a Subsidiary, Net (continued)

(a) Details of subsidiaries as at 31 December 2007 were as follows: (continued)

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點及 法定實體類別	Place of operation 營運地點	Principal activities 主要業務	Percentage of equity interest held by the Group 本集團所持 股本權益 百分比	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本
Phoenix Satellite Television (B.V.I.) Holding Limited (Note a (ii)) 鳳凰衛視集團有限公司 (附註a (ii))	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100%	US\$1 1美元
Phoenix Weekly Magazine (B.V.I.) Limited	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100%	US\$1 1美元
Hong Kong Phoenix Weekly Magazine Limited 香港鳳凰週刊有限公司	Hong Kong, limited liability company 香港 有限責任公司	Hong Kong 香港	Publishing and distribution of periodicals 出版及發行期刊	77%	HK\$100 100港元
Phoenix Satellite Television (InfoNews) Limited 鳳凰衛視資訊台有限公司	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	Hong Kong 香港	Satellite television broadcasting 衛星電視廣播	100%	US\$1 1美元
Phoenix Satellite Television Development (BVI) Limited	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100%	US\$1 1美元
Phoenix Satellite Television Development Limited 鳳凰衛視發展有限公司	Hong Kong, limited liability company 香港 有限責任公司	Hong Kong 香港	Investment holding 投資控股	100%	HK\$2 2港元
Guofeng On-line (Beijing) Information Technology Company Limited 國風在線(北京)信息技術 有限公司	The PRC, limited liability company 中國 有限責任公司	The PRC 中國	Internet services 互聯網服務	94.3%	US\$500,000 500,000美元

23. 於附屬公司的權益及應收一間附屬公司款項淨額(續)

(a) 於二零零七年十二月三十一日的附屬公司詳情如下：(續)

Notes to the Consolidated Financial Statements 綜合財務報表附註

23. Interests in Subsidiaries and Amount due from a Subsidiary, Net (continued)

(a) Details of subsidiaries as at 31 December 2007 were as follows: (continued)

23. 於附屬公司的權益及應收一間附屬公司款項淨額(續)

(a) 於二零零七年十二月三十一日的附屬公司詳情如下：(續)

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點及 法定實體類別	Place of operation 營運地點	Principal activities 主要業務	Percentage of equity interest held by the Group 本集團所持 股本權益 百分比	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本
Phoenix Film and Television (Shenzhen) Company Limited 鳳凰影視(深圳)有限公司	The PRC, limited liability company 中國 有限責任公司	The PRC 中國	Ancillary services for programme production 節目製作支援服務	60%	HK\$10,000,000 10,000,000港元
Phoenix Satellite Television (Universal) Limited	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100%	US\$1 1美元
Phoenix Satellite Television (U.S.) Inc.	The United States of America, limited liability company 美利堅合眾國 有限責任公司	The United States of America 美利堅合眾國	Provision of management and promotional related services 提供管理及有關推廣服務	100%	US\$1 1美元
Phoenix Satellite Television (Taiwan) Limited 植桐製作股份有限公司	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	Taiwan 台灣	Programme production 節目製作	100%	US\$1 1美元
Phoenix Satellite Television Investments (BVI) Limited	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	British Virgin Islands 英屬處女群島	Dormant 暫無營業	100%	US\$1 1美元
Hong Kong Phoenix Satellite Television Limited 香港鳳凰衛視有限公司	Hong Kong, limited liability company 香港 有限責任公司	Hong Kong 香港	Investment holding 投資控股	100%	HK\$2 2港元
Phoenix Glow Limited 鳳凰之光有限公司	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	British Virgin Islands 英屬處女群島	Provision of agency services 提供代理服務	100%	US\$1 1美元

Notes to the Consolidated Financial Statements 綜合財務報表附註

23. Interests in Subsidiaries and Amount due from a Subsidiary, Net (continued)

(a) Details of subsidiaries as at 31 December 2007 were as follows: (continued)

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點及 法定實體類別	Place of operation 營運地點	Principal activities 主要業務	Percentage of equity interest held by the Group 本集團所持 股本權益 百分比	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本
Shenzhen Wutong Shan Television Broadcasting Limited 深圳市梧桐山電視廣播 有限公司	The PRC, limited liability company 中國 有限責任公司	The PRC 中國	Programme production 節目製作	54%	RMB5,000,000 人民幣5,000,000元
Phoenix Global Television Limited 鳳凰環球電視有限公司	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100%	US\$1 1美元
Fenghuang On-line (Beijing) Information Technology Company Limited 鳳凰在線(北京)信息技術 有限公司	The PRC, limited liability company 中國 有限責任公司	The PRC 中國	Internet services 互聯網服務	100%	US\$1,850,000 1,850,000美元
Phoenix Pictures Limited 鳳凰影視製作有限公司	Hong Kong, limited liability company 香港 有限責任公司	Hong Kong 香港	Dormant 暫無營業	100%	HK\$1 1港幣
Phoenix Media and Broadcast Sdn Bhd	Malaysia, limited liability company 馬來西亞 有限責任公司	Malaysia 馬來西亞	Satellite television broadcasting 衛星電視廣播	70%	RM1,000,000 1,000,000馬幣
Phoenix Centre (Hong Kong) Limited 鳳凰中心(香港)有限公司	Hong Kong, limited liability company 香港 有限責任公司	Hong Kong 香港	Property holding 物業控股	100%	HK\$1 1港幣
Green Lagoon Investments Limited 碧湖投資有限公司	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	The PRC 中國	Property holding 物業控股	100%	US\$1 1美元

23. 於附屬公司的權益及應收一間附屬公司款項淨額(續)

(a) 於二零零七年十二月三十一日的附屬公司詳情如下：(續)

Notes to the Consolidated Financial Statements 綜合財務報表附註

23. Interests in Subsidiaries and Amount due from a Subsidiary, Net (continued)

(a) Details of subsidiaries as at 31 December 2007 were as follows: (continued)

23. 於附屬公司的權益及應收一間附屬公司款項淨額(續)

(a) 於二零零七年十二月三十一日的附屬公司詳情如下：(續)

Name 名稱	Place of incorporation and kind of legal entity 註冊成立地點及 法定實體類別	Place of operation 營運地點	Principal activities 主要業務	Percentage of equity interest held by the Group 本集團所持 股本權益 百分比	Issued and fully paid share capital/ registered capital 已發行及 繳足股本/ 註冊資本
Phoenix Publications (Hong Kong) Limited 鳳凰出版社(香港)有限公司	Hong Kong, limited liability company 香港 有限責任公司	The PRC 中國	Dormant 暫無營業	100%	HK\$1 1港元
Phoenix Outdoor Media Company Limited (Note a (iii)) 鳳凰戶外媒體有限公司 (附註a(iii))	Hong Kong, limited liability company 香港 有限責任公司	The PRC 中國	Outdoor media business 戶外媒體業務	75%	HK\$100 100港元
Phoenix Satellite Television Company Limited 鳳凰衛視有限公司	British Virgin Islands, limited liability company 英屬處女群島 有限責任公司	The PRC 中國	Property holding 物業持有	100%	US\$1 1美元
Phoenix News Media Limited 鳳凰新媒體有限公司	Cayman Islands 開曼群島	The PRC 中國	Dormant 暫無營業	100%	US\$0.01 0.01美元

Notes to the Consolidated Financial Statements 綜合財務報表附註

23. Interests in Subsidiaries and Amount due from a Subsidiary, Net (continued)

Notes:

- (a) i. PHOENIXi Investment Limited is currently undergoing liquidation.
- ii. Phoenix Satellite Television (B.V.I.) Holding Limited is directly held by the Company, while all other subsidiaries are indirectly held by the Company through Phoenix Satellite Television (B.V.I.) Holding Limited.
- iii. On 22 June 2007, Phoenix Satellite Television Company Limited (“Phoenix Television”) signed a cooperation agreement with Regal Fame Investments Ltd. (“Regal Fame”) to form a Hong Kong company, Phoenix Outdoor Media Company Limited (“Phoenix Outdoor Media”), which would then set up a wholly-owned foreign enterprise (“WOFE”) in Mainland China to develop the outdoor media business. Pursuant to the agreement, the Group and Regal Fame would each contribute HK\$35,000,000 to Phoenix Outdoor Media and would hold equity interests in Phoenix Outdoor Media of 75% and 25% respectively. Any additional capital injection in excess of HK\$70,000,000 is to be shared equally by the Group and Regal Fame up to a total capital injection of HK\$100,000,000, and any capital injection balance above HK\$100,000,000 is to be contributed by the Group and Regal Fame in accordance with their respective equity interest of 75% and 25%.

As of 31 December 2007, the total capital of HK\$70,000,000 had been paid up by Phoenix Television and Regal Fame respectively.

The excess of the Group’s share of the net assets of Phoenix Outdoor Media (HK\$52,500,000) over the cost of the Group’s investment (HK\$35,000,000) amounting to HK\$17,500,000 on formation of Phoenix Outdoor Media has been recognised as income and included in “Other gains” in the consolidated income statement for the year ended 31 December 2007.

23. 於附屬公司的權益及應收一間附屬公司款項淨額(續)

附註：

- (a) i. PHOENIXi Investment Limited 現正在進行清盤程序。
- ii. 鳳凰衛視集團有限公司由本公司直接持有，而所有其他附屬公司則由本公司透過鳳凰衛視集團有限公司間接持有。
- iii. 於二零零七年六月二十二日，鳳凰衛視有限公司（「鳳凰衛視公司」）與中譽投資有限公司（「中譽」）簽署合作協議以成立一家香港公司鳳凰戶外媒體有限公司（「鳳凰戶外媒體」），其後鳳凰戶外媒體將於中國內地設立一家外商獨資企業（「外商獨資企業」）以發展戶外媒體業務。根據該協議，本集團及中譽將各自向鳳凰戶外媒體出資 35,000,000 港元，並將由本集團及中譽分別持有鳳凰戶外媒體 75% 及 25% 的股本權益。超出 70,000,000 港元的任何額外注資將由本集團及中譽平均攤分，注資總額最多不超過 100,000,000 港元，而超出 100,000,000 港元的任何注資結餘將由本集團及中譽按照彼等各自 75% 及 25% 的股本權益作出投入。

於二零零七年十二月三十一日，總資本額 70,000,000 港元已分別由鳳凰衛視公司及中譽繳清。

因成立鳳凰戶外媒體而產生的攤佔資產淨值（52,500,000 港元）超出本集團出資額（35,000,000 港元）的部分，即 17,500,000 港元，已確認為收入並計入截至二零零七年十二月三十一日止年度的綜合收益表內「其他收益」項下。

Notes to the Consolidated Financial Statements 綜合財務報表附註

23. Interests in Subsidiaries and Amount due from a Subsidiary, Net (continued)

Notes: (continued)

- (b) Amount due from a subsidiary is unsecured, non-interest bearing and repayable on demand.
- (c) The Company has undertaken to provide the necessary financial resources to support the future operations of the subsidiaries within the Group. The Directors are of the opinion that the underlying value of the subsidiaries was not less than the carrying amount of the subsidiaries as at 31 December 2007.

23. 於附屬公司的權益及應收一間附屬公司款項淨額(續)

附註：(續)

- (b) 應收附屬公司款項為無抵押、免息及按要求償還。
- (c) 本公司承諾提供必要財務資源以支持本集團內的附屬公司的未來營運。董事認為，附屬公司的相關價值不低於附屬公司於二零零七年十二月三十一日的賬面值。

24. Accounts Payable, Other Payables and Accruals

24. 應付賬款、其他應付款項及應計款項

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Accounts payable	應付賬款	12,740	10,253
Other payables and accruals	其他應付款項及應計款項	93,996	109,125
		106,736	119,378

The ageing analysis of the accounts payable is as follows:

應付賬款的賬齡分析如下：

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
0-30 days	0至30日	8,138	5,234
31-60 days	31至60日	1,875	1,286
61-90 days	61至90日	534	593
91-120 days	91至120日	466	13
Over 120 days	120日以上	1,727	3,127
		12,740	10,253

The carrying amounts of accounts payable, other payables and accruals approximate their fair values.

應付賬款、其他應付款項及應計款項的賬面值與其公平值相近。

Notes to the Consolidated Financial Statements 綜合財務報表附註

25. Cash and Cash Equivalents

25. 現金及現金等值項目

		Group 本集團		Company 本公司	
		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元	2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Cash at bank and in hand	銀行及手頭現金	385,690	144,887	336	7,458
Short-term bank deposits	短期銀行存款	145,567	398,530	—	—
		531,257	543,417	336	7,458
Maximum exposure to credit risk	最大信貸風險	530,811	542,126	—	—
Denominated in:	以下列貨幣計值：				
– HK\$	– 港元	255,406	16,573	211	5,623
– RMB	– 人民幣	81,184	82,036	—	—
– US\$	– 美元	186,543	435,119	125	1,835
– Other currencies	– 其他貨幣	8,124	9,689	—	—
		531,257	543,417	336	7,458

The effective interest rate on short-term bank deposits was 3.59% (2006: 4.61%); these deposits have an average maturity of 6 days.

Cash and cash equivalents include cash at bank and in hand and short-term bank deposits for the purpose of the consolidated cash flow statement.

短期銀行存款的實際利率為 3.59% (二零零六年：4.61%)，該等銀行存款的平均至到期日為 6 日。

就綜合現金流量表而言，現金及現金等值項目包括銀行現金及手頭現金以及短期銀行存款。

Notes to the Consolidated Financial Statements 綜合財務報表附註

26. Loans and Receivables

26. 貸款及應收款項

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Certificate of deposit (Note a)	存款證 (附註a)	—	30,342
Unlisted securities (Note b)	非上市證券 (附註b)	—	38,794
Short-term deposits (Note c)	短期存款 (附註c)	120,260	—
		120,260	69,136
Less: Current portion	減：短期部份	(120,260)	(69,136)
		—	—

(a) Certificate of deposit represented deposit placed with a bank which matured in October 2007 and is stated at amortised cost.

(b) Unlisted securities are securities with determinable payments that are not quoted in an active market issued by a financial institution. Unlisted securities are stated at amortised cost.

(c) Short-term bank deposits represents bank deposits with a maturity date exceeding 90 days but not exceeding 1 year from the date of making the deposit.

(a) 存款證指存放予一間銀行並於二零零七年十月到期的存款，乃按已攤銷成本列賬。

(b) 非上市證券乃財務機構所發行且並無於活躍市場報價的可確定付款金額的證券。該非上市證券乃按已攤銷成本列賬。

(c) 短期銀行存款指自存入之日算起到期日期超過90日但不足一年之銀行存款。

27. Share Capital

27. 股本

		2007 二零零七年 Number of shares 股數		2006 二零零六年 Number of shares 股數	
		Amount 金額 \$'000 千元		Amount 金額 \$'000 千元	
Authorised:	法定：				
Ordinary share of \$0.1 each	每股面值0.1港元 普通股	10,000,000,000	1,000,000	10,000,000,000	1,000,000
Issued and fully paid:	已發行及繳足：				
At 1 January	於一月一日	4,942,126,000	494,213	4,938,666,000	493,867
Exercise of share options	行使購股權	8,296,000	829	3,460,000	346
At 31 December	於十二月三十一日	4,950,422,000	495,042	4,942,126,000	494,213

Notes to the Consolidated Financial Statements 綜合財務報表附註

28. Share Options

The Company has several share option schemes under which it may grant options to employees of the Group (including Executive Directors of the Company) to subscribe for shares of the Company. Options are granted and exercisable in accordance with the terms set out in the relevant schemes. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

		2007 二零零七年		2006 二零零六年	
		Average exercise price in HK\$ per share 每股平均 行使價 港元	Options 購股權 \$'000 千元	Average exercise price in HK\$ per share 每股平均 行使價 港元	Options 購股權 \$'000 千元
At 1 January	於一月一日	1.09	48,236	1.11	54,378
Granted	已授出	1.45	12,922	-	-
Exercised	已行使	1.08	(8,296)	1.07	(3,460)
Lapsed	已失效	1.44	(520)	1.49	(2,682)
At 31 December	於十二月三十一日	1.18	52,342	1.09	48,236

As at 31 December 2007, out of the 52,342,000 outstanding options (2006: 48,236,000 options), 39,920,000 (2006: 48,236,000) were exercisable. Options exercised in 2007 resulted in 8,296,000 shares (2006: 3,460,000 shares) being issued at HK\$1.08 each (2006: HK\$1.07). The related weighted average share price at the time of exercise was HK\$1.82 (2006: HK\$1.27) per share.

28. 購股權

本公司設有數個購股權計劃，根據計劃可向本集團的僱員（包括本公司的執行董事）授予可認購本公司股份的購股權。所授出的購股權可按有關計劃載列的條款行使。本集團並無任何法定或推定性責任以現金購回或結算購股權。

未行使購股權數目的變動及其相關加權平均行使價載列如下：

於二零零七年十二月三十一日，於52,342,000份（二零零六年：48,236,000份購股權）未行使購股權當中，39,920,000份購股權（二零零六年：48,236,000）可予行使。於二零零七年行使的購股權已導致按每股面值1.08港元（二零零六年：1.07港元）發行8,296,000股股份（二零零六年：3,460,000股股份）。於行使時的相關加權平均股價為每股1.82港元（二零零六年：1.27港元）。

Notes to the Consolidated Financial Statements 綜合財務報表附註

28. Share Options (continued)

Share options outstanding (in '000) at the end of the year have the following expiry dates and exercise prices:

Expiry date 到期日	Exercise price HK\$ per share 每股行使價 港元	Share options 購股權		
		2007 二零零七年 '000 千股	2006 二零零六年 '000 千股	
13 June 2010	二零一零年六月十三日	1.08	32,210	37,140
14 February 2011	二零一一年二月十四日	1.99	500	500
9 August 2011	二零一一年八月九日	1.13	6,210	9,124
19 December 2012	二零一二年十二月十九日	0.79	1,000	1,472
25 March 2017	二零一七年三月二十五日	1.45	12,422	–
			52,342	48,236

The weighted average fair value of options granted during 2007 determined using the Black-Scholes valuation model was HK\$0.4 per option (2006: N/A). The significant inputs into the model were weighted share price of HK\$1.42 (2006: N/A), at the grant date, the exercise price shown above, volatilities ranged from 32.95% to 44.55% (2006: N/A), dividend yield of 0.99% (2006: N/A), an expected option life of 4 to 7 years on annual risk-free interest rates ranged from 4.667% to 4.748% (2006: N/A). The volatilities measured at the standard deviation of continuously compounded share returns are based on statistical analysis of daily share prices over the last 208-week to 364-week.

28. 購股權 (續)

於年終未行使購股權 (以千股為單位) 的到期日及行使價如下：

二零零七年所授購股權的加權平均公平值乃按柏力克-舒爾斯估值模式釐定，於計算日期為每份購股權0.4港元 (二零零六年：不適用)。用以計算模式的主要項目為股份於授出日期的加權價格1.42港元 (二零零六年：不適用)、上文所示行使價、波幅介於32.95%至44.55% (二零零六年：不適用)、股息收益率0.99% (二零零六年：不適用)、估計購股權年期四至七年及無風險年利率介於4.667%至4.748% (二零零六年：不適用)。按持續複合股份回報標準差計算的波幅乃根據最近208周至364周的每日股價統計分析計算。

Notes to the Consolidated Financial Statements 綜合財務報表附註

29. Reserves

Movement in the reserves of the Company during the year was as follows:

		Share premium 股份溢價 \$'000 千元	Employee share-based payment reserve 僱員以股份支 付的款項儲備 \$'000 千元	Accumulated deficit 累計虧損 \$'000 千元	Total 總計 \$'000 千元
At 31 December 2005	於二零零五年十二月三十一日	782,128	–	(41,634)	740,494
Exercise of share options	行使購股權	3,367	–	–	3,367
Loss for the year	年度虧損	–	–	(1,276)	(1,276)
Dividends paid relating to 2005	與二零零五年有關的已付股息	(59,278)	–	–	(59,278)
At 31 December 2006	於二零零六年十二月三十一日	726,217	–	(42,910)	683,307
Exercise of share options	行使購股權	8,139	–	–	8,139
Loss for the year	年度虧損	–	–	(1,287)	(1,287)
Dividends paid relating to 2006	與二零零六年有關的已付股息	(69,243)	–	–	(69,243)
Employee share-based payment	僱員以股份支付的款項	–	1,877	–	1,877
At 31 December 2007	於二零零七年十二月三十一日	665,113	1,877	(44,197)	622,793

Pursuant to Section 34 of the Companies Law (Revised) of the Cayman Islands and the Articles of Association of the Company, share premium of the Company is available for distribution to equity holders. As at 31 December 2007, in the opinion of the Directors, the Company's reserves available for distribution to equity holders, comprising the share premium account and accumulated deficit, amounted to approximately HK\$620,916,000 (2006: approximately HK\$683,307,000).

29. 儲備

本公司於年內的儲備變動如下：

		Share premium 股份溢價 \$'000 千元	Employee share-based payment reserve 僱員以股份支 付的款項儲備 \$'000 千元	Accumulated deficit 累計虧損 \$'000 千元	Total 總計 \$'000 千元
At 31 December 2005	於二零零五年十二月三十一日	782,128	–	(41,634)	740,494
Exercise of share options	行使購股權	3,367	–	–	3,367
Loss for the year	年度虧損	–	–	(1,276)	(1,276)
Dividends paid relating to 2005	與二零零五年有關的已付股息	(59,278)	–	–	(59,278)
At 31 December 2006	於二零零六年十二月三十一日	726,217	–	(42,910)	683,307
Exercise of share options	行使購股權	8,139	–	–	8,139
Loss for the year	年度虧損	–	–	(1,287)	(1,287)
Dividends paid relating to 2006	與二零零六年有關的已付股息	(69,243)	–	–	(69,243)
Employee share-based payment	僱員以股份支付的款項	–	1,877	–	1,877
At 31 December 2007	於二零零七年十二月三十一日	665,113	1,877	(44,197)	622,793

根據開曼群島公司法(經修訂)第34條及本公司章程細則,本公司的股份溢價可供分派予權益持有人。於二零零七年十二月三十一日,董事認為,可供分派予權益持有人的本公司儲備(包括股份溢價賬及累計虧損)約為620,916,000港元(二零零六年:約683,307,000港元)。

Notes to the Consolidated Financial Statements 綜合財務報表附註

30. Deferred Income Tax

Deferred taxation for the year ended 31 December 2007 is calculated in full on temporary differences under the liability method using a principal taxation rate of 17.5% (2006: 17.5%).

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses of HK\$447,000,000 as at 31 December 2007 (2006: HK\$423,000,000) to carry forward against future taxable income. Approximately HK\$432,000,000 (2006: HK\$403,000,000) of the unrecognised tax losses have no expiry date and the remaining balance will expire at various dates up to and including 2026.

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

Deferred income tax liabilities

遞延所得稅負債

		Accelerated tax depreciation 加速稅項折舊	
		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
At 1 January	於一月一日	1,213	963
Charged to the consolidated income statement	扣自綜合收益表	4,695	250
At 31 December	於十二月三十一日	5,908	1,213

Deferred income tax assets

遞延所得稅資產

		Tax losses 稅項虧損		Decelerated tax depreciation 減速稅項折舊		Total 總計	
		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元	2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元	2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
At 1 January	於一月一日	(11,545)	(963)	(688)	-	(12,233)	(963)
Charged/(Credited) to the consolidated income statement	扣自/(計入)綜合收益表	3,793	(10,582)	168	(688)	3,961	(11,270)
At 31 December	於十二月三十一日	(7,752)	(11,545)	(520)	(688)	(8,272)	(12,233)

30. 遞延所得稅

截至二零零七年十二月三十一日止年度的遞延稅項乃根據負債法就暫時性差異，按主要稅率17.5% (二零零六年：17.5%) 作全數計算。

遞延所得稅資產乃就所結轉之稅項虧損作出確認，惟以可能透過未來應課稅溢利可得到之相關稅務利益為限。本集團於二零零七年十二月三十一日之未確認稅項虧損約為447,000,000港元 (二零零六年：423,000,000港元)，可結轉以抵銷未來應課稅收入；於未確認之稅務虧損中，約432,000,000港元 (二零零六年：403,000,000港元) 並無到期日，而餘額將於截至二零二六年 (包括該年) 的多個日期到期。

於年內的遞延稅項資產及負債變動 (在抵銷同一徵稅地區的結餘前) 如下：

Notes to the Consolidated Financial Statements 綜合財務報表附註

31. Cash Generated from Operations

31. 經營業務產生的現金

Reconciliation of profit from operations to net cash inflow from operating activities

經營溢利與經營業務現金流入淨額對賬表

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Profit before income tax	除所得稅前溢利	329,174	245,825
Amortisation of lease premium for land	土地租賃費用攤銷	1,986	540
Depreciation of property, plant and equipment	物業、廠房及設備折舊	25,544	23,373
Amortisation of purchased programme and film rights and other charges	購入節目、電影版權及其他開支攤銷	17,876	18,861
Impairment of property, plant and equipment	物業、廠房及設備減值	226	677
Employee share-based payment	僱員以股份支付的款項	1,877	-
Provision for impairment of receivables	應收款項減值撥備	5,547	16,293
Reversal of provision for impairment of receivables	應收款項減值撥備撥回	(8,505)	(12,152)
Gain/(loss) on disposal of property, plant and equipment	出售物業、廠房及設備收益/(虧損)	(664)	81
Share of losses of jointly controlled entities	攤佔共同控制實體虧損	1,067	1,518
Interest income, net	利息收入淨額	(24,503)	(23,118)
Other income, net	其他收入淨額	(18,531)	(7,325)
Decrease/(increase) in accounts receivable	應收賬款減少/(增加)	24,946	(29,198)
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加	(49,322)	(83,939)
Increase in loans and receivables	貸款及應收款項增加	(51,124)	(38,794)
Decrease in inventories	存貨減少	367	605
(Increase)/decrease in amounts due from related companies	應收有關連公司款項(增加)/減少	(3,802)	1,194
Decrease in self-produced programmes	自製節目減少	2,156	554
(Decrease)/increase in accounts payable, other payables and accruals	應付賬款、其他應付款項及應計款項(減少)/增加	(12,072)	27,772
(Decrease)/increase in deferred income	遞延收入(減少)/增加	(15,710)	11,638
Decrease in amounts due to related companies	應付有關連公司款項減少	(1,237)	(157)
		225,296	154,248

Notes to the Consolidated Financial Statements 綜合財務報表附註

32. Banking Facilities

As at 31 December 2007, the Group had banking facilities amounting to approximately HK\$19,067,000 (2006: HK\$18,907,000) of which approximately HK\$11,440,000 (2006: HK\$11,735,000) was unutilised. The facilities are covered by counter indemnities from the Group.

As at 31 December 2007, deposits of approximately HK\$4,067,000 (2006: HK\$3,907,000) were pledged with a bank to secure a banking guarantee given to the landlord of a subsidiary.

33. Commitments

(a) Programme and film rights acquisition

As at 31 December 2007, the Group had aggregate outstanding programme and film rights related commitments of approximately HK\$13,368,000 (2006: HK\$34,123,000) of which all (2006: HK\$33,695,000) was in respect of a film rights acquisition agreement with STAR TV Filmed Entertainment Limited ("STAR Filmed") extending to 27 August 2008. Total programme and film rights related commitments are analysed as follows:

32. 銀行信貸

於二零零七年十二月三十一日，本集團的銀行信貸額約為19,067,000港元(二零零六年：18,907,000港元)，當中約11,440,000港元(二零零六年：11,735,000港元)仍未動用。有關信貸由本集團提供的反擔保作抵押。

於二零零七年十二月三十一日，約4,067,000港元(二零零六年：3,907,000港元)的存款已抵押予銀行，作為給予一附屬公司業主銀行擔保的抵押品。

33. 承擔

(a) 購入節目及電影版權

於二零零七年十二月三十一日，本集團有關節目及電影版權的待履行承擔總額約為13,368,000港元(二零零六年：34,123,000港元)，當中全部(二零零六年：33,695,000港元)乃與STAR TV Filmed Entertainment Limited ("STAR Filmed") 簽訂的購買電影版權協議有關，該協議延續至二零零八年八月二十七日。有關節目及電影版權的承擔總額分析如下：

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Not later than one year	不遲於一年	13,368	20,776
Later than one year and not later than five years	遲於一年但不遲於五年	-	13,347
		13,368	34,123

Notes to the Consolidated Financial Statements 綜合財務報表附註

33. Commitments (continued)

(b) Service charges

As at 31 December 2007, the Group had total committed service charges payable to Satellite Television Asian Region Limited ("STARL") and Fox News Network L.L.C. ("Fox") of approximately HK\$72,851,000 (2006: HK\$120,853,000) and Nil (2006: HK\$1,896,000) in respect of service agreement expiring/expired on 30 June 2009 and 25 July 2007, respectively. Total committed service charges payable to STARL and Fox are analysed as follows:

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Not later than one year	不遲於一年	48,513	50,016
Later than one year and not later than five years	遲於一年但不遲於五年	24,338	72,733
		72,851	122,749

(c) Operating lease

As at 31 December 2007, the Group had rental commitments of approximately HK\$25,122,000 (2006: HK\$33,588,000) under various operating leases extending to September 2011. Total future minimum lease payments payable under non-cancellable operating leases are as follows:

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Not later than one year	不遲於一年	12,527	12,079
Later than one year and not later than five years	遲於一年但不遲於五年	11,724	21,137
Later than five years	遲於五年	871	372
		25,122	33,588

33. 承擔(續)

(b) 服務費

於二零零七年十二月三十一日，本集團分別就於二零零九年六月三十日及二零零七年七月二十五日到期的服務協議而應付予衛星電視有限公司(「STARL」)及 Fox News Network L.L.C.(「Fox」)的服務費約為72,851,000港元(二零零六年：120,853,000港元)及零港元(二零零六年：1,896,000港元)。應付STARL及Fox的服務費用承擔總額分析如下：

(c) 經營租賃

於二零零七年十二月三十一日，本集團根據多項延期至二零一一年九月的經營租賃須承擔約25,122,000港元(二零零六年：33,588,000港元)的租金。根據不可撤銷經營租賃，未來應付的最低租金總額分析如下：

Notes to the Consolidated Financial Statements 綜合財務報表附註

33. Commitments (continued)

(d) Capital commitments

- (i) As at 31 December 2007, the Group had capital commitments of approximately HK\$110,990,000 (2006: Nil) as follows:

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Not later than one year	不遲於一年	56,887	-
Later than one year and not later than five years	遲於一年但不遲於五年	-	-
Authorised but not contracted for	已授權但未訂約	54,103	-
		110,990	-

- (ii) Investment in 鳳凰東方(北京)置業有限公司 (Phoenix Oriental (Beijing) Properties Company Limited) ("Phoenix Oriental")

Phoenix Pictures Limited ("Phoenix Pictures"), an indirect wholly-owned subsidiary of the Company, entered into a capital increase contract (the "Capital Increase Contract") on 27 June 2007 and an amended and restated capital increase contract (the "Amendment Contract") on 21 December 2007 with Phoenix Oriental and its existing shareholders, pursuant to which Phoenix Pictures agreed to subscribe for 50% of the enlarged registered capital (the "Subscription") of Phoenix Oriental. The purpose of the investment is to participate in the development of a site (the "Land") situated at the south-western corner of Chaoyang Park, Chaoyang District, Beijing, into a building ("Phoenix International Media Centre") which will contain theatres and television programme studios to be used by the Group. The land use rights of the Land are owned by Phoenix Oriental pursuant to a land and project transfer contract with 北京朝陽公園開發經營公司 (Beijing Chaoyang Park Development & Management Co.) entered into in May 2006 and are for a term of 50 years from 10 October 2001. Upon completion of the project, all the parties can unanimously consent to terminate the Amendment Contract and liquidate Phoenix Oriental. The balance of the assets and real properties of Phoenix Oriental after liquidation shall be distributed to the parties in proportion to their respective equity interest in Phoenix Oriental. Phoenix Pictures will have priority in selecting the theatres and television production studios and the professional facilities.

33. 承擔(續)

(d) 資本承擔

- (i) 於二零零七年十二月三十一日，本集團有資本承擔約110,990,000港元(二零零六年：無)如下：

- (ii) 於鳳凰東方(北京)置業有限公司(「鳳凰東方」)的投資

本公司的間接全資附屬公司鳳凰影視製作有限公司(「鳳凰影視」)與鳳凰東方及其當時股東於二零零七年六月二十七日訂立增資合同(「增資合同」)並於二零零七年十二月二十一日訂立修訂及重述之增資合同(「修訂合同」)，據此鳳凰影視同意認購鳳凰東方經擴大註冊資本的50%(「認購事項」)。該項投資旨在將一幅位於北京朝陽區朝陽公園西南角的地盤(「該塊土地」)發展為一幢樓宇(「鳳凰國際傳媒中心」)(其將包括由本集團使用的演播大廳及電視節目製作室)，而根據於二零零六年五月與北京朝陽公園開發經營公司訂立的土地及項目轉讓合同，該塊土地的土地使用權現由鳳凰東方擁有，由二零零一年十月十日起計為期五十年。於該項目完工後，訂約各方一致同意終止修訂合同及將鳳凰東方清盤。鳳凰東方在清盤後之資產及房地產結存須根據訂約方各自於鳳凰東方擁有的股本權益比例向彼等進行分派。鳳凰影視將可優先選擇演播大廳及電視製作室及專業設備。

Notes to the Consolidated Financial Statements 綜合財務報表附註

33. Commitments (continued)

(d) Capital commitments (continued)

(ii) (continued)

According to the Amendment Contract, the registered capital of Phoenix Oriental shall be increased from RMB10,000,000 (approximately HK\$10,200,000) to RMB300,000,000 (approximately HK\$306,000,000), among which RMB150,000,000 (approximately HK\$153,000,000) will be contributed by Phoenix Pictures upon the application and registration of Phoenix Oriental for conversion into a sino-foreign equity joint venture enterprise.

As of 31 December 2007, Phoenix Oriental was still in the process of obtaining all the relevant approvals for the Amendment Contract and the Group had not contributed any amount into Phoenix Oriental.

(e) Other commitments

- (i) As at 31 December 2007, the Group had other operating commitments of approximately HK\$36,320,000 (2006: HK\$37,911,000) under various agreements as follows:

Not later than one year	不遲於一年
Later than one year and not later than five years	遲於一年但不遲於五年

33. 承擔(續)

(d) 資本承擔(續)

(ii) (續)

根據修訂合同，鳳凰東方的註冊資本將由人民幣10,000,000元(約10,200,000港元)增加至人民幣300,000,000元(約306,000,000港元)，其中人民幣150,000,000元(約153,000,000港元)將於鳳凰東方申請及註冊轉為中外合資企業時由鳳凰影視投入。

於二零零七年十二月三十一日，鳳凰東方仍在等待獲得有關修訂合同的所有相關批文，而本集團尚未向鳳凰東方投入任何款項。

(e) 其他承擔

- (i) 於二零零七年十二月三十一日，本集團根據多項協議有其他經營承擔約36,320,000港元(二零零六年：37,911,000港元)如下：

	2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Not later than one year	24,220	24,130
Later than one year and not later than five years	12,100	13,781
	36,320	37,911

Notes to the Consolidated Financial Statements 綜合財務報表附註

34. Related Party Transactions

- (i) The Group had the following significant transactions with the related parties as defined in HKAS 24 – Related Party Disclosures:

34. 有關連人士交易

- (i) 本集團曾與有關連人士(定義見香港會計準則第24號—有關連人士披露)進行下列交易：

	Note(s) 附註	2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Service charges paid/payable to STARL 向STARL支付/應付的服務費	a, b	54,258	53,416
Commission for international subscription sales and marketing services paid/payable to STARL 向STARL支付/應付的國際訂購銷售及市場推廣服務佣金	a, c	3,447	3,201
Acquisition of decoders and viewing cards from STARL 向STARL購買解碼器及視像卡	a, d	33	—
Film licence fees paid/payable to STAR Filmed 向STAR Filmed支付/應付的電影許可費	a, e	20,413	20,326
Service charges paid/payable to Asia Television Limited (“ATV”) 向亞洲電視有限公司(「亞洲電視」)支付/應付的服務費	f, g	379	731
Service charges received/receivable from ATV 向亞洲電視收取/應收取的服務費	f, h	1,281	1,276
Service charges paid/payable to Fox 向Fox支付/應付的服務費	i, j	3,719	3,689
Service charges paid/payable to British Sky Broadcasting Limited (“BSkyB”) 向British Sky Broadcasting Limited(「BSkyB」)支付/應付的服務費	k, l	1,233	1,120
Service charges received/receivable from DIRECTV, Inc. (“DIRECTV”) 向DIRECTV, Inc.(「DIRECTV」)收取/應收取的服務費	m, n	1,378	1,954
Programme licence fees to SGL Entertainment Limited (“SGL”) 向SGL Entertainment Limited(「SGL」)支付節目許可費	a, o	78	210
Programme license fees paid/payable to Asia Television Enterprise Limited (“ATVE”) 向Asia Television Enterprise Limited(「ATVE」)支付/應付的節目許可費	f, p	—	428
Advertising sales to the CMCC Group 向中移動通信集團進行的廣告銷售	q, r	31,778	8,912
Key management compensation 主要管理人員薪酬	iii	30,036	25,623

Notes to the Consolidated Financial Statements 綜合財務報表附註

34. Related Party Transactions (continued)

(i) (continued)

Notes:

- (a) STARL, STAR Filmed, SGL and other STAR TV group companies are wholly-owned subsidiaries of STAR Group Limited, which owns 100% of Xing Kong Chuan Mei Group Co., Ltd., a substantial equity holder of the Company.
- (b) Service charges paid/payable to STARL cover a wide range of technical services provided to the Group are charged based on the terms of the service agreement dated 30 June 2006. The summary of the terms of the service agreement is set out in the section headed "New Star Services Agreement" of the circular of the Company dated 21 July 2006 (the "Circular"). Either fixed fees or variable fees are charged depending on the type of services utilised.
- (c) The commission for international subscription sales and marketing services paid/payable to STARL is based on 15% (2006: 15%) of the subscription fees generated and received by it on behalf of the Group.
- (d) Acquisition of decoders and viewing cards relating to Phoenix Movies Channel from STARL at a price based on the cost to STAR plus (if any) transportation costs of such decoders and viewing cards.
- (e) The film licence fees are charged in accordance with a film rights acquisition agreement with STAR Filmed.
- (f) Mr. LIU Changle and Mr. CHAN Wing Kee beneficially own 93.3% and 6.7% respectively of Today's Asia Limited, which indirectly owns approximately 26.85% of ATV as at 31 December 2007.
- (g) Service charges paid/payable to ATV cover news footage and data transmission services provided to the Group which are charged based on terms mutually agreed upon between both parties.

34. 有關連人士交易(續)

(i) (續)

附註：

- (a) STARL、STAR Filmed、SGL及衛視集團內其他公司，均為星空傳媒集團有限公司的全資附屬公司，其擁有Xing Kong Chuan Mei Group Co., Ltd. (本公司主要權益持有人的100%權益)。
- (b) 向STARL支付／應付的服務費包括向本集團提供的廣泛系列技術服務，服務費乃根據於二零零六年六月三十日訂立的服務協議的條款釐定。服務協議的條款概要載列於本公司於二零零六年七月二十一日發出的通函(「通函」)「新衛視服務協議」一節。固定或浮動收費均視乎所使用的服務類別而定。
- (c) 向STARL支付／應付的國際訂購銷售及市場推廣服務佣金乃根據其代表本集團賺取及收取的收視費的15% (二零零六年：15%)計算。
- (d) 就鳳凰衛視電影台向STARL購買解碼器及視像卡之價格乃根據對STAR之成本加(如有)該等解碼器及視像卡之運輸成本。
- (e) 電影許可費乃根據與STAR Filmed訂立的購入電影許可協議收取。
- (f) 劉長樂先生及陳永祺先生於二零零七年十二月三十一日分別實益擁有今日亞洲有限公司的93.3%及6.7%權益，而該公司則間接擁有亞洲電視約26.85%權益。
- (g) 向亞洲電視為本集團提供的新聞片段及數據傳送服務而支付／應付的服務費，乃按雙方同意的條款支付。

Notes to the Consolidated Financial Statements 綜合財務報表附註

34. Related Party Transactions (continued)

- (i) (continued)
Notes: (continued)
- (h) Service charges received/receivable from ATV cover the following services provided to ATV which are charged based on terms specified in a service agreement:
- the use of floor area for the location of receivers;
 - the use of master control room equipment and transmission equipment (including maintenance for daily wear and tear);
 - fibre optic transmission; and
 - video tapes administration and playout services.
- (i) Fox is an associate of Xing Kong Chuan Mei Group Co., Ltd., a substantial equity holder of the Company.
- (j) Service charges paid/payable to Fox cover the following services provided to the Group which are charged based on the terms specified in a service agreement:
- granting of non-exclusive and non-transferable licence to subscribe for Fox's news service;
 - leasing of office space and access to workspace, subject to availability; and
 - accessing Fox's camera hook up at the United Nations, interview positions in various places in the United States and live shots from Fox's satellite truck positions for events that Fox is already covering, subject to availability.
- (k) BSkyB is 39% owned by News Holdings Limited (formerly known as The News Corporation Limited), a wholly-owned subsidiary of News Corporation, which indirectly owns 100% of Xing Kong Chuan Mei Group Co., Ltd., a substantial equity holder of the Company.
- (l) Service charges paid/payable to BSkyB cover the following services provided to the Group which are charged based on terms specified in the service agreements:
- transponder rental;
 - uplinking services; and
 - encoding and electronic programme guide services.

34. 有關連人士交易(續)

- (i) (續)
附註：(續)
- (h) 向亞洲電視收取／應收取的服務費包括下列提供予亞洲電視使用的服務，並按服務協議指明的條款收取：
- 使用接收器所在地點的樓面面積；
 - 使用總控制室設備及傳送設備(包括就日常耗蝕進行保養)；
 - 光纖傳送；及
 - 影帶管理及播送服務。
- (i) Fox乃Xing Kong Chuan Mei Group Co., Ltd. (本公司主要權益持有人)的聯營公司。
- (j) 向Fox支付／應付的服務費包括下列提供予本集團使用的服務，服務費乃按服務協議指明的條款收取：
- 訂購Fox新聞服務的非獨家及不可轉讓許可權；
 - 辦公室租賃及使用工作室，視乎其供應而定；及
 - 使用Fox位於聯合國的攝影棚、全美各地的採訪場地以及由Fox衛星直播車位置取得Fox已進行報道的事件的現場畫面，視乎其供應而定。
- (k) BSkyB由News Corporation的全資附屬公司News Holdings Limited(前稱The News Corporation Limited)擁有39%權益，而News Corporation間接擁有Xing Kong Chuan Mei Group Co., Ltd.(本公司主要權益持有人)的100%權益。
- (l) 向BSkyB支付／應付的服務費包括下列提供予本集團使用的服務，服務費乃按服務協議指明的條款收取：
- 轉發器租賃；
 - 向上傳輸服務；及
 - 加密及電子節目指南服務。

Notes to the Consolidated Financial Statements 綜合財務報表附註

34. Related Party Transactions (continued)

- (i) (continued)
Notes: (continued)
- (m) DIRECTV is 40.97% directly owned by Fox Entertainment Group, Inc., which indirectly owns 100% of Fox. Fox is an associate of Xing Kong Chuan Mei Group Co., Ltd., a substantial equity holder of the company.
- (n) Service charges received/receivable from DIRECTV are charged based on terms specified in a service agreement.
- (o) Programme license fees to SGL are charged based on terms specified in a license agreement.
- (p) Pursuant to a programme licensing agreement dated 29 May 2003, the programme license fees paid/payable to ATVE with respect to a list of programmes as stipulated in the schedule of the agreement are charged at a fixed fee or fees to be mutually agreed.
- (q) The CMCC Group, through its wholly-owned subsidiary of China Mobile (Hong Kong) Group Limited, owns 19.86% of the issued share capital of the Company. CMCC has become a shareholder and related party of the Company since 25 August 2006.
- (r) Advertising sales to the CMCC Group are related to airtime advertising and programme sponsoring on channels operated by the Group.

34. 有關連人士交易(續)

- (i) (續)
附註：(續)
- (m) DIRECTV乃由Fox Entertainment Group, Inc.直接擁有40.97%權益，而Fox Entertainment Group, Inc.則間接擁有Fox的100%權益。Fox為Xing Kong Chuan Mei Group Co., Ltd. (本公司主要權益持有人)的聯營公司。
- (n) 向DIRECTV收取／應收取的服務費乃按服務協議指明的條款收取。
- (o) 向SGL支付的節目許可費乃按許可協議指明的條款支付。
- (p) 根據於二零零三年五月二十九日訂立的節目許可協議，就該協議計劃表所規定的節目表而支付／應付ATVE的節目許可費乃按固定費用或雙方同意的費用收費。
- (q) 中移動通信集團(透過其中國移動(香港)集團有限公司的全資附屬公司)擁有本公司已發行股本的19.86%權益。中移動通信自二零零六年八月二十五日起成為本公司的股東及有關連人士。
- (r) 向中移動通信集團進行的廣告銷售乃有關本集團所經營頻道上的廣告時段及節目贊助。

Notes to the Consolidated Financial Statements 綜合財務報表附註

34. Related Party Transactions (continued)

(ii) Year end balances arising from related parties transactions as disclosed in Note 34(i) above were also disclosed in Note 15.

(iii) Key management compensation

34. 有關連人士交易(續)

(ii) 如上文附註34(i)所披露的有關連人士交易產生的年終結餘亦已在附註15中披露。

(iii) 主要管理人員薪酬

		2007 二零零七年 \$'000 千元	2006 二零零六年 \$'000 千元
Salaries	薪金	14,267	13,831
Discretionary bonuses	酌情發放的花紅	6,000	5,200
Quarters and housing allowance	宿舍及房屋津貼	5,509	5,315
Pension fund	退休金	1,317	1,277
Compensation and others	補償金及其他	2,943	-
		30,036	25,623

35. Comparative Figures

Certain of the 2006 comparative figures have been reclassified to conform to the current year's presentation. Depreciation expenses relating to broadcast operations and other equipment under property, plant and equipment have been reclassified from selling, general and administrative expenses to operating expenses.

35. 比較數字

若干二零零六年的比較數字已重新分類，以符合本年度的呈列方式。有關廣播經營業務及物業廠房及設備項下其他設備的折舊費用已從銷售、一般及行政費用重新分類至經營費用。