

**1. 公司資料**

中港照相器材集團有限公司的註冊辦事處位於 Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda。主要經營業務地址為香港荃灣德士古道220號荃灣工業中心八字樓。

年內，集團從事推廣及經銷照相沖印產品，以及經營照相沖印零售門市。

董事會認為，集團的最終控股公司是英屬處女群島註冊成立之 Fine Products Limited。

**2. 經修訂會計實務準則（「會計實務準則」）之影響**

以下為於本年度之財務報表首次生效並帶來重大影響之經修訂之會計實務準則：

- 會計實務準則第12號（經修訂）：「所得稅」
- 註釋第20號：「所得稅－經重估不用折舊資產之收回」

會計實務準則第12號訂明就本期間因應課稅溢利或虧損所產生之所應付或可收回所得稅（現行稅項）；及主要因應課稅及可扣稅暫時差額而產生之於未來期間所應付或可收回所得稅之會計處理方法，及未運用稅務虧損之結轉（遞延稅項）。

註釋第20號規定源自經重估不用折舊資產及投資物業之遞延稅項資產或負債按銷售方式收回資產賬面值後可能出現之稅務後果計量。本集團乃就其根據會計實務準則第12號計算之投資物業遞延稅項應用此項政策。

**1. CORPORATE INFORMATION**

The registered office of China-Hongkong Photo Products Holdings Limited is located at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda. The principal place of business of the Company is located at 8/F, Tsuen Wan Industrial Centre, 220, Texaco Road, Tsuen Wan, Hong Kong.

During the year, the Group engaged in the marketing and distribution of photographic, developing, processing and printing products and the operations of retail photograph developing and processing shops.

In the opinion of the directors, the ultimate holding company is Fine Products Limited, which is incorporated in the British Virgin Islands.

**2. IMPACT OF A REVISED STATEMENT OF STANDARD ACCOUNTING PRACTICE ("SSAP")**

The following revised SSAP and Interpretation are effective for the first time for the current year's financial statements and have had a significant impact thereon:

- SSAP 12 (Revised): "Income taxes"
- Interpretation 20: "Income taxes – Recovery of revalued non-depreciable assets"

SSAP 12 prescribes the accounting for income taxes payable or recoverable, arising from the taxable profit or loss for the current period (current tax); and income taxes payable or recoverable in future periods, principally arising from taxable and deductible temporary differences and the carry-forward of unused tax losses (deferred tax).

Interpretation 20 requires that a deferred tax asset or liability that arises from the revaluation of certain non-depreciable assets and investment properties is measured based on the tax consequences that would follow from the recovery of the carrying amount of that asset through sale. This policy has been applied by the Group in respect of the revaluation of its investment properties in the deferred tax calculated under SSAP 12.

**2. 經修訂會計實務準則（「會計實務準則」）之影響（續）**

會計實務準則之修訂對財務報表之主要影響詳列如下：

計算及入賬：

- 與為稅務目的之資本撥備及為財務申報目的之折舊兩者之間之差額，以及其他應課稅及可扣稅暫時差額，而有關之遞延稅項資產及負債，一般會作出全數撥備。而以往只會就可見未來可能會實現之遞延稅項資產或負債之時差確認遞延稅項。
- 已就未動用之稅項虧損確認為遞延稅項資產，惟須以可動用未被利用之虧損以作抵銷將會錄得之應課盈利為限。
- 由於遞延稅項資產乃源於業務合併，所以已就商譽作公平價值調整。

此外，現時之相關附註披露較從前所須的更為廣泛。此等披露已載於財務報表附註10，並包括年內會計虧損及稅項支出之對賬。

此等變動的詳情及按變動而作之往年度修訂之詳情已載於財務報表附註3及5遞延稅項之會計政策內。

**3. 主要會計政策撮要**

**編制基準**

本財務報表乃根據香港會計實務準則、香港普遍採用之會計準則及香港公司條例之披露要求而編制。除投資物業之定期重新估值外，財務報表採用歷史成本法編制。

**2. IMPACT OF A REVISED STATEMENT OF STANDARD ACCOUNTING PRACTICE (“SSAP”) (Continued)**

The principal impact of the revision of this SSAP on these financial statements is described below:

Measurement and recognition:

- deferred tax assets and liabilities relating to the differences between capital allowances for tax purposes and depreciation for financial reporting purposes and other taxable and deductible temporary differences are generally fully provided for, whereas previously the deferred tax was recognised for timing differences only to the extent that it was probable that the deferred tax asset or liability would crystallise in the foreseeable future;
- a deferred tax asset has been recognised for tax losses arising in the current/prior periods to the extent that it is probable that there will be sufficient future taxable profits against which such losses can be utilised; and
- since the deferred tax asset was arisen from a business combination, a fair value adjustment was made to the respective goodwill.

In addition, the related note disclosures are now more extensive than previously required. These disclosures are presented in note 10 to the financial statements and include a reconciliation between the accounting loss and the tax expense for the year.

Further details of these changes and the prior year adjustments arising from them are included in the accounting policy for deferred tax in notes 3 and 5 to the financial statements.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation**

These financial statements have been prepared in accordance with Hong Kong Statements of Standard Accounting Practice, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for the periodic remeasurement of investment properties.

**3. 主要會計政策撮要 (續)****綜合基準**

本綜合財務報表包括本公司及其附屬公司截至二零零四年三月三十一日止年度經審核財務報表。內年收購或出售之附屬公司的業績分別由收購生效日期起或計至出售生效日期止。集團內各公司間之所有重大交易及結餘經已於綜合時對銷。

少數股東權益代表外界股東於本公司附屬公司業績及淨資產中之權益。

**附屬公司**

附屬公司乃本公司直接或間接透過控制其財務及營運政策而享有業務利益之公司。

附屬公司之業績中之已收取或應收股息乃計入本公司損益賬。本公司持有之附屬公司權益乃按原值扣除減值虧損列出。

**商譽**

收購附屬公司產生之商譽乃收購成本超逾於收購當日本集團應佔指定資產及負債之公平價值之數。

因收購產生之商譽在綜合資產負債表內確認為資產，並以直線法按可使用年期20年攤銷。

出售附屬公司時，出售損益乃按出售當日之淨資產計算，包括應佔未攤銷商譽及相關儲備（如適用）。

商譽賬面值按年檢討，並視乎需要減值。除非預期引致此減值虧損之特殊外在事件已不復在，而後續發生之外在事件已沖轉其影響，否則以前已確認之商譽減值虧損不會撥回。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

**Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2004. The results of the subsidiaries acquired or disposed of during the year are consolidated with reference to their effective dates of acquisition or disposal, respectively. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

Minority interests represent the interests of outside shareholders in the results and net assets of the Company's subsidiaries.

**Subsidiaries**

A subsidiary is a company whose financial and operating policies the Company controls, directly or indirectly, so as to obtain benefits from its activities.

The results of subsidiaries are included in the Company's profit and loss account to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

**Goodwill**

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the acquisition over the Group's share of the fair values of the identifiable assets and liabilities acquired as at the date of acquisition.

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset and amortised on the straight-line basis over its estimated useful life of 20 years.

On disposal of subsidiaries, the gain or loss on disposal is calculated by reference to the net assets at the date of disposal, including the attributable amount of goodwill which remains unamortised and any relevant reserves, as appropriate.

The carrying amount of goodwill is reviewed annually and written down for impairment when it is considered necessary. A previously recognised impairment loss for goodwill is not reversed unless the impairment loss was caused by a specific external event of an exceptional nature that was not expected to recur, and subsequent external events have occurred which have reversed the effect of that event.

**3. 主要會計政策撮要 (續)****關連人士**

倘一方能直接或間接控制另一方對另一方的財務及營運決策發揮重大影響力，則雙方被視為關連人士。受共同控制或其同受重大影響人士亦被視為關連人士。關連人士可為個別人士或公司實體。

**資產減值**

於每結算日需就任何資產是否出現減值跡象，或是否有跡象於過往年度已確認之資產減值虧損可能不復存在或可能減少，作出評估。如有任何此等現象出現，需就該資產之可收回金額作出估計。資產之可收回金額以使用中資產或其淨出售價兩者之較高者為準。

如資產之賬面值超逾其可收回數額時，減值虧損方予確認。除非該資產以重估數額列賬，減值虧損方根據有關會計政策就該重估資產處理，否則任何減值虧損於產生當期之損益賬內扣除。

僅於釐定資產之可收回數額之估計出現變動時，於先前已確認之減值虧損方可撥回，惟倘若於過往年度並無就該資產確認任何減值虧損，高出於此情況下所釐定之賬面值之數額（扣除任何折舊／攤銷）則不得撥回。除非該資產以重估數額列賬，減值虧損之撥回方根據有關會計政策就該重估資產處理，否則，任何減值虧損之撥回於產生當期計入損益賬內。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***Related parties**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

**Impairment of assets**

An assessment is made at each balance sheet date of whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use or its net selling price.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is credited to the profit and loss account in the period in which it arises, unless the asset is carried at a revalued amount, when the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

3. 主要會計政策撮要 (續)

固定資產及折舊

除投資物業外，固定資產乃按成本值減累積折舊及減值虧損列賬。資產成本包括購入價及任何令資產達致運作狀態及運作擬定用途之地點的直接有關成本。固定資產運作後所需支出如維修及保養，則一般在產生期間內自損益賬撇除。如能清楚證明支出將增加日後使用該固定資產帶來的經濟利益，則支出撥作固定資產之額外成本。

折舊乃按直線法計算，按每項資產之可用年期撇銷其成本。以下為折舊之主要年率：

租賃土地	租約剩餘年期
樓宇	5%
傢俬、裝置及租賃物業裝修	20% to 33 <sup>1</sup> / <sub>3</sub> %
機器及設備	20%
汽車	20%

在損益賬內確認來自出售或退廢固定資產之盈虧乃出售有關資產所得收入淨額與其賬面值之差額。

投資物業

投資物業乃具有投資潛力並計劃長期持有之已完成興建及發展之土地及樓宇權益。投資物業之租金收入乃按公平原則商定。投資物業根據各財政年度內結日進行之年度專業估值按公開市值入賬，不作折舊準備，但如剩餘租約年期為二十年或以下，則按剩餘年期攤銷其當時之賬面值。投資物業價值之變動作投資物業重估儲備變動項目處理。如以組合計算之應估儲備之總額不足以彌補減值，則不足之數額會自損益賬中扣除。任何所得之重估盈餘則按較早前扣除之虧蝕被納入損益賬。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Fixed assets and depreciation

Fixed assets, other than investment properties, are stated at cost less accumulated depreciation and any impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after fixed assets have been put into operation, such as repairs and maintenance, is normally charged to the profit and loss account in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the fixed asset, the expenditure is capitalised as an additional cost of that asset.

Depreciation is calculated on the straight-line basis to write off the cost of each asset over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land	Over the unexpired terms of the leases
Buildings	5%
Furniture, fixtures and leasehold improvements	20% to 33 <sup>1</sup> / <sub>3</sub> %
Machinery and equipment	20%
Motor vehicles	20%

The gain or loss on disposal or retirement of a fixed asset recognised in the profit and loss account, is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Investment properties

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are intended to be held on a long term basis for their investment potential, any rental income being negotiated at arm's length. Such properties are not depreciated and are stated at their open market values on the basis of annual professional valuations performed at the end of each financial year, except where the unexpired term of the lease is 20 years or less, in which case depreciation is provided on the then carrying amount over the respective remaining lease terms. Changes in the values of investment properties are dealt with as movements in the investment property revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the profit and loss account. Any subsequent revaluation surplus is credit to the profit and loss account to the extent of the deficit previously charged.

**3. 主要會計政策撮要 (續)****投資物業 (續)**

於出售投資物業時，就之前重估而變現之投資物業重估儲備的有關數額將撥入損益賬中。

**租賃資產**

凡資產擁有權之絕大部分回報及風險歸予租賃公司所有之租約，均列為經營租約。倘集團為出租人，按經營租約出租之資產將列為非流動資產，其租金收入於租期內按直線法記入損益賬內。倘集團為承租人，經營租約之租金支出於租期內按直線法從損益賬支銷。

**存貨**

存貨主要包括照相沖印產品，以成本值與可變現淨值兩者中之較低者入賬，成本值是按加權平均法計算，包括採購成本、加工成本，以及使存貨達致當前的地點和狀況而產生的其他支出。可變現淨值乃根據估計售價減完成及出售前預期會引致之其他費用計算。

**現金及現金等值項目**

就綜合現金流動表而言，現金及現金等值項目包括手頭現金及活期存款，以及可隨時轉換為已知數額之現金、價值變動風險不大並於短期內到期（一般為在購入時於三個月內到期）之高流動性之短期投資，減去須於要求時償還之銀行透支。現金及現金等值項目為本集團現金管理之一部份。

按資產負債表內的分類，現金及現金等值項目包括無限定用途的手頭現金及銀行存款（包括定期存款）。

**撥備**

凡過往事故產生現有責任（法律或推定責任），而將來或須撥出資源以履行此責任，則須作出撥備，惟須能夠對有關金額作出可靠評估。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***Investment properties (Continued)**

On disposal of an investment property, the relevant portion of the investment property revaluation reserve realised in respect of previous valuations is released to the profit and loss account.

**Leased assets**

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets and rentals receivable under the operating leases are credited to the profit and loss account on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the profit and loss account on the straight-line basis over the lease terms.

**Inventories**

Inventories, which primarily consist of photographic developing, processing and printing products, are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes 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 based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

**Cash and cash equivalents**

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

For the purpose of the balance sheet, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

**Provisions**

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.



**3. 主要會計政策撮要 (續)****撥備 (續)**

如貼現影響重大，則確認之撥備額按日後履行責任預期所需開支於結算日之現值計算，因時間消逝而增加之貼現值列為損益賬內之融資成本處理。

**所得稅**

所得稅包括即期及遞延稅項。所得稅於損益賬入賬，如有關項目於同期或不同期於股本入賬，則其相關所得稅亦於股本入賬。

就財務報告而言，遞延稅項乃就於結算日所有資產及負債之稅基及其賬面值之暫時差額以負債法提撥準備。

遞延稅項負債確認所有可課稅暫時差額：

- 除卻最初入賬一項資產或負債所引至之遞延稅項乃非因業務組合之交易所產生，而於交易發生時並無影響會計溢利或可課稅溢利或虧損；及
- 就有關投資附屬公司之可課稅暫時差額，除卻暫時差額之撥回時間可被控制及於可見未來不可能撥回暫時差額。

遞延稅項乃按可導致可扣稅未用稅項資產及未用稅項虧損可被動用之稅項溢利可能出現的情況之所有可扣稅之暫時差額及前期帶來之未用稅項資產及未用稅項虧損被入賬。

- 除卻最初入賬之一項資產或負債所導致之可扣稅暫時差額之相關遞延稅項資產於交易進行時不會影響會計溢利及可課稅溢利或虧損；及

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

**Provisions (Continued)**

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the profit and loss account.

**Income tax**

Income tax comprises current and deferred tax. Income tax is recognised in the profit and loss account or in equity if it relates to items that are recognised in the same or a different period, directly in equity.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences:

- except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax assets and unused tax losses can be utilised:

- except where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

**3. 主要會計政策撮要 (續)****所得稅 (續)**

- 就有關投資附屬公司之可扣稅暫時差額，遞延稅項資產於可見未來可能撥回之暫時差額及可導致暫時差額可被動用之可課稅溢利出現時方會被入賬。

遞延稅項資產面值於每一個結算日修訂並按可導致全部或部份遞延稅項資產可被運用之充足可課稅溢利不再有可能出現的情況予以調低。另外，較早前未被入賬之遞延稅項資產則按可導致全部或部份遞延稅項資產可被運用之充足可課稅溢利可能出現的情況被入賬。

遞延稅項資產及負債按資產實現或負債繳清期內之預期實行稅率(基於於結算日期已被實行或大部份實行之稅率(及稅項法例))計算。

**收入確認**

當本集團可能獲得收入的經濟利益能夠可靠地計算時，收入將按下列情況確認：

- 銷貨方面，在貨物擁有權所附的重大風險及回報已轉移至買家時，確認銷售收入，惟集團對已售貨物不時維持因擁有貨物而通常享有的管理參與權及有效控制權；
- 菲林沖晒及照片沖印服務之收入於提供服務時確認；
- 供應商之津貼，在擁有收取權利時確認；
- 利息收入乃根據未償還之本金及適用之有效利率按時間比例計算；及
- 租金收入於租期內按時間比例確認。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***Income tax (Continued)**

- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

**Revenue recognition**

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- income from film processing and photo finishing services, when the services are rendered;
- subsidies from a supplier, when the right to receive payment has been established;
- interest income, on a time proportion basis, taking into account the principal outstanding and the effective interest rate applicable; and
- rental income, on a time proportion basis over the lease terms.



**3. 主要會計政策撮要 (續)****僱員福利***有薪假期結轉*

本集團根據僱傭合約按歷年基準給予其僱員有薪年假。在若干情形下，於結算日未支取之年假准予結轉，留待有關僱員於來年享用。於結算日，已就僱員於年內獲取並予結轉之有薪年假之預期未來成本作出累算。

*僱傭條例之長期服務金*

本集團若干僱員之服務年資符合資格於終止僱傭時領取香港僱傭條例項下之長期服務金，而本集團有責任於上述僱員終止受聘符合僱傭條例所指定情況下發放有關金額。本集團已就預期發放之未來長期服務金提撥準備。此項準備乃基於截至結算日僱員之服務年資所計算僱員預期享有之未來長期服務金之最佳估計而作出。

*退休金計劃*

本集團根據強制性公積金計劃條例設立界定供款強制性公積金（「強積金計劃」）及根據職業退休計劃條例設立界定供款職業退休福利計劃（「職業退休計劃」）。根據該等計劃之規則，供款額為僱員基本薪金之某個百分比，並於應繳付時在損益賬扣除。兩個計劃之資產與本集團之資產分開持有，並由獨立運作之基金管理。本集團對強積金計劃之僱主供款於對強積金計劃供款時已全數歸於僱員。本集團根據職業退休計劃之僱主供款根據職業退休計劃全數託交。

本集團於中國內地經營之附屬公司之僱員須參加地方市政府主理之中央退休金計劃。該等附屬公司必須撥出員工薪酬某個百分比作為該退休金計劃之供款。供款於按照中央退休金計劃應付時自損益表扣除。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***Employee benefits***Paid leave carried forward*

The Group provides paid annual leave to its employees under their employment contracts on a calendar year basis. Under certain circumstances, such leave which remains untaken as at the balance sheet date is permitted to be carried forward and utilised by the respective employees in the following year. An accrual is made at the balance sheet date for the expected future cost of such paid leave earned during the year by the employees and carried forward.

*Employment Ordinance long service payments*

Certain of the Group's employees have completed the required number of years of service to the Group in order to be eligible for long service payments under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payments in the event that such a termination of employment meets the circumstances specified in the Employment Ordinance. A provision is recognised in respect of the probable future long service payments expected to be made. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their service to the Group to the balance sheet date.

*Pension schemes*

The Company operates a defined contribution Mandatory Provident Fund (the "MPF scheme") under the Mandatory Provident Fund Schemes Ordinance and a defined contribution occupational retirement scheme (the "ORSO scheme") under the Occupational Retirement Schemes Ordinance. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit and loss account as they become payable in accordance with the rules of the schemes. The assets of both schemes are held separately from those of the Company in independently administered funds. The Company's employer contributions to the MPF scheme vest fully with the employees when contributed into the MPF scheme. The Company's employer contributions to the ORSO scheme vest fully according to the rules of the ORSO scheme.

The employees of the Group's subsidiaries which operate in PRC are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their covered payroll to the central pension scheme. The contributions are charged to the profit and loss account as they become payable in accordance with the rules of the central pension scheme.

**3. 主要會計政策撮要 (續)****僱員福利 (續)****購股權計劃**

本公司為獎勵及報答曾對集團業務成功作出貢獻之合資格參與者而設立購股權計劃。購股權計劃項下授出之購股權之財務影響並不紀錄於本公司或本集團之資產負債表內，直至購股權行使為止，亦不會於損益賬或資產負債表借計其成本。行使購股權時，因此發行之股份乃由本公司按股份面值作額外股本，而股份行使價超出股份面值之數則記入本公司的股份溢價賬。行使日期前註銷或作廢之購股權則會自未行使購股權登記冊中刪除。

**股息**

董事擬派之末期股息於資產負債表獨立按股本及儲備項下保留溢利分配列賬，直至此等股息獲股東於股東大會批准。當此等股息獲股東批准及宣派後始確認為負債。

中期股息乃同時予以擬派及宣派，此乃本公司組織章程大綱及細則授予董事宣派中期股息之權力。因此，中期股息於擬派及宣派時即確認為負債。

**外幣交易**

外幣交易按於交易日之適用市場匯率入賬。於結算日以外幣為單位之貨幣資產及負債按該日之適用市場匯率折算，匯兌差額撥入損益賬內。

於綜合賬目時，海外附屬公司之財務報表乃採用投資淨額法換算為港元。海外附屬公司之損益賬均按年內之加權平均匯率換算為港元，而彼等之資產負債表則按結算日之匯率換算為港元。因此產生之匯兌差額於匯率波動儲備內列賬。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***Employee benefits (Continued)****Share option scheme**

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The financial impact of share options granted under the share option scheme is not recorded in the Company's or the Group's balance sheet until such time as the options are exercised, and no charge is recorded in the profit and loss account or balance sheet for their cost. Upon the exercise of share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which are cancelled prior to their exercise date, or which lapse, are deleted from the register of outstanding options.

**Dividends**

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the capital and reserves section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

**Foreign currencies**

Foreign currency transactions are recorded at the applicable exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the applicable exchange rates ruling at that date. Exchange differences are dealt with in the profit and loss account.

On consolidation, the financial statements of overseas subsidiaries are translated into Hong Kong dollars using the net investment method. The profit and loss accounts of overseas subsidiaries are translated to Hong Kong dollars at the weighted average exchange rates for the year, and their balance sheets are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. The resulting translation differences are included in the exchange fluctuation reserve.

**3. 主要會計政策撮要 (續)**

**外幣交易 (續)**

為符合綜合現金流動報表要求，海外附屬公司現金流動情況按於現金流動日期之匯率以港幣表達。海外附屬公司於全年均有發生之經常性重覆現金流動情況則按年內匯率加權平均數以港幣表達。

**4. 分類資料**

分類資料採用以下兩部形式呈報：(i)以業務分類作為主要分類呈報基準；及時(ii)按地區分類為次要分類呈報基準。

本集團經營之業務乃根據各項業務之性質及所提供之產品及服務劃分架構及管理。本集團每項分類業務代表一策略性經營單位，其提供之產品及服務所承擔之風險及回報均有別於其他分類業務。本集團業務分類概要如下：

- (a) 批發業務，從事攝影及沖印產品之市場推廣及分銷；
- (b) 零售業務，透過零售門市提供菲林沖晒、照相沖印服務，以及銷售照相商品；及
- (c) 企業及其他業務，包括集團的投資地產業務以及為住宅及商用物業提供管理及保安服務的管理服務，連同企業收支項目。

確定本集團之地區分類時，收益及業績乃按客戶所在地分類，資產則按資產所在地分類。

部門間的銷售及轉撥按成本值加上約百分之二之附加值計算。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

**Foreign currencies (Continued)**

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

**4. SEGMENT INFORMATION**

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) the wholesale segment engages in the marketing and distribution of photographic, developing, processing products and printing products;
- (b) the retail segment engages in the provision of film processing; photo finishing services and the sale of photographic merchandises through retail outlets; and
- (c) the corporate and other segment comprises the Group's investment property business and the Group's management services business, which provides management and security services to residential and commercial properties, together with corporate income and expense items.

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

Intersegment sales and transfers are transacted at cost plus mark up of approximately 2%.



4. 分類資料 (續)

(a) 業務分類 (續)

Group 集團		Wholesale segment 批發業務		Retail segment 零售業務		Corporate and Other 企業及其他		Consolidated 綜合	
		2004 HK\$'000	2003 HK\$'000	2004 HK\$'000	2003 HK\$'000	2004 HK\$'000	2003 HK\$'000	2004 HK\$'000	2003 HK\$'000
	分類資產	685,444	1,103,569	234,212	296,972	13,639	19,269	933,295	1,419,810
	未分配資產							297,815	-
	總資產							1,231,110	1,419,810
	分類負債	98,542	192,535	38,432	51,445	7,526	7,652	144,500	251,632
	未分配負債							3,508	3,400
	總負債							148,008	255,032
	其他分類資料：	Other segment information:							
	折舊及攤銷 (重列)	7,972	17,017	22,476	19,596	760	672	31,208	37,285
	固定資產減值虧損	1,906	4,010	2,750	-	-	-	4,656	4,010
	資本開支	555	8,708	8,663	21,003	139	865	9,357	30,576
	重估股本直接所得 之盈餘	-	-	-	-	3,375	-	3,375	-
	重估股本直接所得 之虧蝕	-	-	-	-	-	50	-	50
	呆壞賬撥備	33,804	2,764	74	-	-	-	33,878	2,764
	滯銷存貨撥備	9,975	9,953	779	174	-	-	10,754	10,127
	客戶補貼撥備	79,493	11,796	-	-	-	-	79,493	11,796

(b) 地區分類

下表詳列本集團地區業務之現有收益、溢利／(虧損)及若干資產、負債及開支之資料。

4. SEGMENT INFORMATION (Continued)

(a) Business segments (Continued)

(b) Geographical segments

The following tables present revenue and certain asset and capital expenditure information for the Group's geographical segments.

4. 分類資料 (續)

(b) 地區分類 (續)

Group 集團		Hong Kong 香港		Elsewhere in the PRC 中國其他地區		Corporate and other 企業及其他		Consolidated 綜合	
		2004 HK\$'000	2003 HK\$'000	2004 HK\$'000	2003 HK\$'000	2004 HK\$'000	2003 HK\$'000	2004 HK\$'000	2003 HK\$'000
		(Restated) (重列)						(Restated) (重列)	
分類收益：	Segment revenue:								
外界客戶之銷售額	Sales to external customers	1,189,006	1,505,049	206,105	230,379	-	-	1,395,111	1,735,428
其他分類資料：	Other segment information:								
分類資產	Segment assets	759,956	1,162,578	161,913	237,962	309,241	19,270	1,231,110	1,419,810
資本開支	Capital expenditure	7,240	24,889	1,978	4,822	139	865	9,357	30,576

5. 往年調整

如財務報表附註2詳述，集團因年內採納會計實務準則第12條(經修訂)而確認遞延稅項資產於可見未來可變現之程度為限(追溯至往年)。本集團之遞延稅項資產主要來自本集團於二零零一年八月收購之若干附屬公司之結轉稅損。因此產生之遞延稅項資產導致須重列商譽。此項會計政策改變對二零零二年及二零零三年四月一日期初結餘，以及對截至二零零三年三月三十一日止期間的損益賬的影響為：

(A) 重列商譽：

- (i) 於二零零二年及二零零三年四月一日商譽金額減少港幣13,741,000元；
- (ii) 於二零零二年及二零零三年四月一日商譽累計攤銷分別減少港幣458,000元及港幣1,144,000元；及
- (iii) 截至二零零三年三月三十一日止年度商譽攤銷額減少港幣686,000元。

(B) 確認遞延稅項資產：

- (i) 確認於二零零二年四月一日遞延稅項資產港幣1,698,000元；及
- (ii) 增加截至二零零三年三月三十一日止年度款項港幣1,698,000元之稅務(遞延稅項資產動用額)。

4. SEGMENT INFORMATION (Continued)

(b) Geographical segments (Continued)

	Hong Kong 香港		Elsewhere in the PRC 中國其他地區		Corporate and other 企業及其他		Consolidated 綜合			
	2004 HK\$'000	2003 HK\$'000	2004 HK\$'000	2003 HK\$'000	2004 HK\$'000	2003 HK\$'000	2004 HK\$'000	2003 HK\$'000		
	(Restated) (重列)						(Restated) (重列)			
分類收益：	Segment revenue:									
外界客戶之銷售額	Sales to external customers		1,189,006	1,505,049	206,105	230,379	-	-	1,395,111	1,735,428
其他分類資料：	Other segment information:									
分類資產	Segment assets		759,956	1,162,578	161,913	237,962	309,241	19,270	1,231,110	1,419,810
資本開支	Capital expenditure		7,240	24,889	1,978	4,822	139	865	9,357	30,576

5. PRIOR YEAR ADJUSTMENTS

As detailed in note 2 to the financial statements, with the adoption of SSAP 12 (Revised) during the year, the Group has recognised a deferred tax asset, to the extent that it was probable that there will be sufficient taxable profits against which losses can be utilised, retrospectively in the prior years. The Group's deferred tax assets principally arose from tax losses carried forward by certain subsidiaries which were acquired by the Group in August 2001. The deferred tax assets arising therefrom accordingly resulted in a restatement of goodwill. The effects of this change in accounting policy on the opening balances as at 1 April 2002 and 2003 and on the profit and loss account for the year ended 31 March 2003 are:

(A) Restatement of goodwill:

- (i) to reduce the amount of goodwill by HK\$13,741,000 as at 1 April 2002 and 2003;
- (ii) to reduce the accumulated amortisation of goodwill as at 1 April 2002 and 2003 by HK\$458,000 and HK\$1,144,000, respectively; and
- (iii) to reduce the amortisation charge of goodwill for the year ended 31 March 2003 by HK\$686,000.

(B) Recognition of a deferred tax asset:

- (i) to recognise a deferred tax asset of HK\$1,698,000 at 1 April 2002; and
- (ii) to increase the tax charge of HK\$1,698,000 for the year ended 31 March 2003 representing the utilisation of the deferred tax asset.



5. 往年調整 (續)

源於上述(A)及(B)項之淨影響概括如下：

5. PRIOR YEAR ADJUSTMENTS (Continued)

The net impact arising from (A) and (B) above, is summarised below:

		Profit for the year ended 31 March 2003 截至三月三十一日 溢利 HK\$'000	Increase/(decrease) 增加/(減少) Retained profits as at 1 April 2003 於四月一日 保留溢利 HK\$'000	Retained profits as at 1 April 2002 於四月一日 保留溢利 HK\$'000
(A) 重列商譽	(A) Restatement of goodwill	686	(12,597)	(13,283)
(B) 確認/(動用) 遞延稅項資產	(B) Recognition/(utilisation) of deferred tax asset	(1,698)	-	1,698
(A)及(B)項之淨影響	Net impact of (A) and (B)	(1,012)	(12,597)	(11,585)

集團商譽及遞延稅項變動詳情分別載於財務報表附註16及24。

Further details of the movements of the Group's goodwill and deferred tax are disclosed in notes 16 and 24 to the financial statements, respectively.

6. 營業額及收入

營業額指銷售貨品之發票淨值(已扣除折扣及退貨)及提供沖印服務之收入。

6. TURNOVER AND REVENUE

Turnover represents the net invoiced value of goods sold, net of trade discounts, allowances for returns, and income from the rendering film processing and photo finishing services.

營業額及收入之分析如下：

An analysis of turnover and revenue is as follows:

		2004 HK\$'000	2003 HK\$'000
營業額：	Turnover:		
產品銷售	Sale of goods	<b>1,259,352</b>	1,593,993
沖印服務收入	Income from the rendering film processing and photo finishing services	<b>135,759</b>	141,435
		<b>1,395,111</b>	1,735,428
其他收入：	Other revenue:		
利息收入	Interest income	<b>1,762</b>	701
租金收入，淨值	Rental income, net	<b>2,028</b>	1,686
供應商之津貼	Subsidies received from a supplier	<b>24,155</b>	49,413
出售固定資產收益	Gain on disposal of fixed assets	-	902
其他	Others	<b>2,024</b>	4,553
		<b>29,969</b>	57,255

7. 經營活動之溢利／(虧損)

本集團經營活動之溢利／(虧損)經扣除／  
(計入)：

7. PROFIT/(LOSS) FROM OPERATING ACTIVITIES

The Group's profit/(loss) from operating activities is arrived  
at after charging/(crediting):

		Notes 附註	2004 HK\$'000	2003 HK\$'000 (Restated) (重列)
銷售存貨成本	Cost of inventories sold		<b>1,091,906</b>	1,366,745
提供服務成本	Cost of services rendered		<b>67,739</b>	72,316
核數師酬金	Auditors' remuneration		<b>1,400</b>	1,308
折舊	Depreciation	14	<b>29,010</b>	35,087
商譽攤銷*	Amortisation of goodwill*	16	<b>2,198</b>	2,198
土地及樓宇之 最低租約租金	Minimum lease payments under operating leases on land and buildings		<b>37,382</b>	36,861
出售固定資產虧損**	Loss on disposal of fixed assets**		<b>555</b>	-
客戶補貼撥備***	Provision for subsidies***		<b>79,493</b>	11,796
滯銷存貨撥備***	Provision for slow-moving inventories***		<b>10,754</b>	10,127
呆壞賬撥備**	Provision for bad and doubtful debts**		<b>33,878</b>	2,764
固定資產減值虧損**	Impairment losses on fixed assets**	14	<b>4,656</b>	4,010
員工成本(包括附註9 所列出之董事酬金， 但扣除以實物補償 之福利)：	Staff costs (including directors' remuneration as set out in note 9 but excluding benefits in kind):			
工資及薪金	Wages and salaries		<b>75,035</b>	97,355
退休金計劃供款	Pension scheme contributions		<b>3,099</b>	4,452
減：被沒收之供款****	Less: Forfeited contributions****		<b>(289)</b>	(523)
退休金計劃供款淨額	Net pension contributions		<b>2,810</b>	3,929
總員工成本	Total staff costs		<b>77,845</b>	101,284
滙兌損失，淨額	Exchange losses, net		<b>1,985</b>	2,858
租金收入總額	Gross rental income		<b>(2,151)</b>	(1,820)
減：支銷	Less: outgoings		<b>123</b>	134
租金收入淨值	Net rental income		<b>(2,028)</b>	(1,686)

\* 年內之商譽攤銷已於綜合損益賬「行政開支」一欄內列賬。

\*\* 該等項目已於綜合損益賬「其他經營開支」一欄內列賬。

\*\*\* 該等項目已於綜合損益賬「銷售成本」一欄內列賬。

\*\*\*\* 於二零零四年三月三十一日並無減低未來供款之已沒收退休計劃供款(二零零三年：無)。

\* The amortisation of goodwill for the year is included in "Administrative expenses" on the face of the consolidated profit and loss account.

\*\* Items are included in "Other operating expenses" on the face of the consolidated profit and loss account.

\*\*\* Items are included in "Cost of sales" on the face of the consolidated profit and loss account.

\*\*\*\* As at 31 March 2004, there were no forfeited pension scheme contributions available to reduce contributions in future years (2003: Nil).

8. 融資成本

8. FINANCE COSTS

		2004 HK\$'000	2003 HK\$'000
融資成本 (即須於一年內全數償還之信託收據貸款之利息開支)	Finance costs represent interest expenses on trust receipt loans wholly repayable within one year	395	188

9. 董事酬金及五位最高薪酬僱員

9. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

根據上市規則及公司條例第161條披露之董事酬金如下：

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Companies Ordinance, is as follows:

		2004 HK\$'000	2003 HK\$'000
袍金	Fees	560	620
其他酬金：	Other emoluments:		
薪金、津貼及以實物補償之福利	Salaries, allowance and benefits in kind	4,183	6,053
非強制性花紅	Discretionary bonuses	863	358
退休金計劃供款	Pension scheme contributions	72	600
		<b>5,678</b>	<b>7,631</b>

袍金包括應付予獨立非執行董事之港幣320,000元 (二零零三年：港幣320,000元)。年內並無其他應付予獨立非執行董事之酬金 (二零零三年：無)。

Fees include HK\$320,000 (2003: HK\$320,000) payable to the independent non-executive directors. There were no other emoluments payable to the independent non-executive directors during the year (2003: Nil).

年內酬金收入在下列範圍之董事人數：

The remuneration of the directors during the year fell within the following bands:

		Number of directors 董事人數	
		2004	2003
無	– 港幣1,000,000元	4	8
港幣1,000,001元	– 港幣1,500,000元	2	–
港幣3,500,001元	– 港幣4,000,000元	1	1
		<b>7</b>	<b>9</b>

年內並無任何安排使董事放棄或同意放棄任何酬金。

There was no arrangement under which a director waived or agreed to waive any remuneration during the year.

9. 董事酬金及五位最高薪酬僱員 (續)

僱員薪酬

年內五位最高薪人士包括三位(二零零三年：四位)執行董事，其薪酬已在下文披露。其餘兩位最高薪酬之僱員酬金(二零零三年：一位)之詳情如下：

		2004 HK\$'000	2003 HK\$'000
基本薪金、房屋津貼、 其他津貼及以實物補償福利	Basic salaries, housing, other allowances and benefits in kind	<b>1,688</b>	2,339
退休金計劃供款	Pension scheme contributions	<b>24</b>	12
		<b>1,712</b>	2,351

酬金收入在下列範圍之非董事及最高薪酬僱員人數：

9. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

Employees' remuneration

The five highest paid individuals during the year comprise three (2003: four) executive directors, details of whose remuneration are set out above. Details of the remuneration of the remaining two (2003: one) highest paid employee for the year are set out below.

The remuneration of the non-directors, highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2004	2003
無	Nil	<b>1</b>	-
— 港幣 1,000,000 元	— HK\$ 1,000,000	<b>1</b>	-
港幣 1,000,001 元 — 港幣 1,500,000 元	HK\$ 1,000,001 — HK\$ 1,500,000	-	1
港幣 2,000,001 元 — 港幣 2,500,000 元	HK\$ 2,000,001 — HK\$ 2,500,000	<b>2</b>	1

10. 稅項

香港利得稅根據年內在香港賺取之估計應課稅溢利，經抵銷附屬公司產生之可用稅務虧損後，按稅率百分之十七點五(二零零三年：百分之十六)作提撥準備。已增加之香港利得稅率於二零零三年／二零零四審計年度內生效，並適用於截至二零零四年三月三十一日止年度全年於香港賺取之應課稅。中國應課稅溢利的利得稅按國內現行稅率並根據現行法例、闡釋及運作計算。

10. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (2003: 16%) on the estimated assessable profits arising in Hong Kong during the year after offsetting certain amounts of the tax losses carried forward by certain subsidiaries of the Group. The increased Hong Kong profits tax rate became effective from the year of assessment 2003/2004, and so is applicable to the assessable profits arising in Hong Kong for the whole of the year ended 31 March 2004. Taxes on profits assessable in the PRC has been calculated at the rates of tax prevailing in the PRC, based on existing legislation, interpretations and practices in respect thereof.

10. 稅項 (續)

10. TAX (Continued)

		2004 HK\$'000	2003 HK\$'000 (Restated) (重列)
集團：	Group:		
本年－香港	Current – Hong Kong		
年內支出	Charge for the year	<b>(4,380)</b>	(3,181)
往年超額撥備	Overprovision in prior years	<b>154</b>	8,400
本年－中國內地	Current – PRC	<b>(103)</b>	(58)
遞延稅項 (附註24)	Deferred (Note 24)	–	(1,698)
年內稅項抵免／(支出)	Total tax credit/(charge) for the year	<b>(4,329)</b>	3,463

使用本公司及其附屬公司經營所有國家之法定稅率計算之除稅前溢利之適用稅項開支，與按實際稅率計算之稅項開支之對賬，以及適用稅率（即法定稅率）與實際稅率之對賬如下：

A reconciliation of the tax expense applicable to profit before tax using the statutory rates for the countries in which the Company and its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the statutory tax rates to the effective tax rates, are as follows:

Group 2004

本集團二零零四年

		Hong Kong 香港		PRC 中國		Total 總計	
		HK\$'000	%	HK\$'000	%	HK\$'000	%
除稅前虧損	Loss before tax	<b>(26,118)</b>		<b>(31,245)</b>		<b>(57,363)</b>	
按法定稅率計算之稅項	Tax at the statutory tax rate	<b>(4,571)</b>	<b>17.5</b>	<b>(10,311)</b>	<b>33.0</b>	<b>(14,882)</b>	<b>25.9</b>
中國應計收入之稅項	PRC tax on deemed income	–	–	<b>101</b>	<b>(0.3)</b>	<b>101</b>	<b>(0.2)</b>
就往期對即期稅項之調整	Adjustments in respect of current tax						
	of previous periods	<b>(154)</b>	<b>0.6</b>	–	–	<b>(154)</b>	<b>0.3</b>
免繳稅收入	Income not subject to tax	<b>(38)</b>	<b>0.1</b>	<b>(330)</b>	<b>1.1</b>	<b>(368)</b>	<b>0.6</b>
不可扣稅支出	Expenses not deductible for tax	<b>2,359</b>	<b>(9.0)</b>	<b>49</b>	<b>(0.2)</b>	<b>2,408</b>	<b>(4.2)</b>
動用往期稅項虧損	Tax losses utilised from previous periods	<b>(11,961)</b>	<b>45.8</b>	–	–	<b>(11,961)</b>	<b>20.9</b>
帶來之虧損	Losses carried forward	<b>15</b>	<b>(0.1)</b>	<b>10,594</b>	<b>(33.9)</b>	<b>10,609</b>	<b>(18.5)</b>
未確認遞延稅項	Deferred tax assets not recognised	<b>18,576</b>	<b>(71.1)</b>	–	–	<b>18,576</b>	<b>(32.4)</b>
按本集團實際稅率計算之稅項支出	Tax charge at the Group's effective rates	<b>4,226</b>	<b>(16.2)</b>	<b>103</b>	<b>(0.3)</b>	<b>4,329</b>	<b>(7.6)</b>

10. 稅項 (續)

10. TAX (Continued)

Group 2003

本集團二零零三年

		Hong Kong 香港		PRC 中國		Total 總計	
		HK\$'000	%	HK\$'000	%	HK\$'000	%
除稅前溢利／(虧損)	Profit/(loss) before tax	37,224		(20,777)		16,447	
按法定稅率計算之稅項	Tax at the statutory tax rate	5,956	16.0	(6,856)	33.0	(900)	(5.5)
中國應計收入之稅項	PRC tax on deemed income	–	–	57	(0.3)	57	0.3
就往期對即期稅項之調整	Adjustments in respect of current tax of previous periods	(8,400)	(22.6)	–	–	(8,400)	(51.1)
免繳稅收入	Income not subject to tax	(880)	(2.4)	(1,066)	5.1	(1,946)	(11.8)
不可扣稅支出	Expenses not deductible for tax	1,113	3.0	–	–	1,113	6.8
動用往期稅項虧損	Tax losses utilised from previous periods	(2,127)	(5.7)	–	–	(2,127)	(12.9)
帶來之虧損	Losses carried forward	6	–	7,922	(38.1)	7,928	48.2
未確認遞延稅項	Deferred tax assets not recognised	812	2.2	–	–	812	4.9
按本集團實際稅率計算之 稅項支出	Tax charge/(credit) at the Group's effective rates	(3,520)	(9.5)	57	(0.3)	(3,463)	(21.1)

11. 股東應佔正常業務之純利／(虧損)

本公司財務報表內，截至二零零四年三月三十一日止年度內所處理之股東應佔正常業務之純利為港幣125,490,000元（二零零三年：港幣32,828,000元）。

11. NET PROFIT/(LOSS) FROM ORDINARY ACTIVITIES  
ATTRIBUTABLE TO SHAREHOLDERS

The net profit from ordinary activities attributable to shareholders for the year ended 31 March 2004 dealt with in the financial statements of the Company amounted to HK\$125,490,000 (2003: HK\$32,828,000).

12. 股息

12. DIVIDENDS

		Group and Company 集團及公司	
		2004 HK\$'000	2003 HK\$'000
中期－每普通股港幣1仙(特別) (二零零三年：港幣2仙)	Interim – HK1 cent (special) (2003: HK2 cents) per ordinary share	11,638	23,277
擬派末期－每普通股 港幣10仙(特別) (二零零三年：港幣1仙)	Proposed (special) final – HK\$10 cents (special) (2003: HK1 cent (special)) per ordinary share	116,383	11,638
		128,021	34,915



13. 每股盈利

每股基本及攤薄後盈利／(虧損)：

13. EARNINGS/(LOSS) PER SHARE

The calculations of basic and diluted earnings/(loss) per share are based on:

		2004 HK\$'000	2003 HK\$'000 (Restated) (重列)
<b>盈利</b>	<b>Earnings</b>		
用於計算每股基本及攤薄後盈利／(虧損)之股東應佔正常業務純利	Net profit/(loss) from ordinary activities attributable to shareholders, used in the basic and diluted earnings/(loss) per share calculations	<b>(61,647,000)</b>	18,425,000
<b>股份</b>	<b>Shares</b>		
用於計算每股基本盈利／(虧損)之年內已發行普通股加權平均數	Weighted average number of ordinary shares in issue during the year used in basic earnings/(loss) per share calculation	<b>1,163,828,377</b>	1,163,828,377
假設已發行購股權於年內全數獲行使而以無作價方式發行之普通股加權平均數(附註)	Weighted average number of ordinary shares assumed to have been issued at no consideration on deemed exercise of all share options outstanding during the year (note)	-	-
用於計算每股攤薄後盈利／(虧損)之普通股加權平均數	Weighted average number of ordinary shares used in diluted earnings/(loss) per share calculation	<b>1,163,828,377</b>	1,163,828,377

附註：年內購股權的行使價高於本公司普通股的平均市價。因此，年內並無股份因未行使的購股權視作被行使而被假設以無作價發行。

Note: The share option exercise price was higher than the average market price of the Company's ordinary share during the year. Accordingly, no shares were assumed to have been issued at nil consideration on deemed exercise of the share options outstanding during the year.

14. 固定資產

14. FIXED ASSETS

Group  
集團

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000	Furniture, fixtures and leasehold improvements 傢俬 裝置及租賃 物業裝修 HK\$'000	Machinery and equipment 機器及設備 HK\$'000	Motor vehicles 汽車 HK\$'000	Total 合計 HK\$'000
<b>成本：</b>	<b>Cost:</b>					
年初	At beginning of year	175,482	80,694	115,002	10,191	381,369
增加	Additions	–	2,101	6,717	539	9,357
出售	Disposals	–	(5,681)	(1,929)	(2,113)	(9,723)
自投資物業轉入 (附註15)*	Transfer from investment properties (note 15)*	669	–	–	–	669
轉撥至投資物業 (附註15)*	Transfer to investment properties (note 15)*	(37,654)	–	–	–	(37,654)
於二零零四年 三月三十一日	At 31 March 2004	138,497	77,114	119,790	8,617	344,018
<b>累積折舊及減值：</b>	<b>Accumulated depreciation and impairment:</b>					
年初	At beginning of year	55,036	62,913	54,248	8,466	180,663
年內撥備	Provided during the year	6,427	6,524	15,062	997	29,010
年內於損益賬 入賬之減值	Impairment during the year recognised in the profit and loss account	1,906	–	2,750	–	4,656
出售	Disposals	–	(2,826)	(1,872)	(2,083)	(6,781)
轉撥至投資物業 (附註15)*	Transfer to investment properties (note 15)*	(8,379)	–	–	–	(8,379)
於二零零四年 三月三十一日	At 31 March 2004	54,990	66,611	70,188	7,380	199,169
<b>賬面淨值：</b>	<b>Net book value:</b>					
於二零零四年 三月三十一日	At 31 March 2004	83,507	10,503	49,602	1,237	144,849
於二零零三年 三月三十一日	At 31 March 2003	120,446	17,781	60,754	1,725	200,706

\* 年內，本集團部份位於中國內地之租賃土地及樓宇被轉租予第三者，因此於其出租日期按其港幣29,275,000元之面值被重新分類為投資物業。一項位於香港之投資物業則於年內成為空置物業，其港幣669,000元之市值則於交收日被重新分類為固定資產。

\* During the year, certain of the Group's leasehold land and buildings situated in the PRC were leased to third parties and accordingly, reclassified to investment properties at their respective carrying value of HK\$29,275,000 at the dates when the buildings were leased. An investment property situated in Hong Kong was reclassified to fixed assets at its market value of HK\$669,000 at the date of transfer.

14. 固定資產 (續)

以上土地及樓宇乃按下列租期持有：

14. FIXED ASSETS (Continued)

The lease terms of the land and buildings are as follows:

		Hong Kong 香港 HK\$'000	PRC 中國 HK\$'000	Total 合計 HK\$'000
長期租約	Long term leases	–	41,375	41,375
中期租約	Medium term leases	57,176	39,946	97,122
		57,176	81,321	138,497

Company

本公司

		Furniture, fixtures and leasehold improvements 傢俬、裝設及 租賃物業裝修 HK\$'000	Office equipment 公司設備 HK\$'000	Total 合計 HK\$'000
成本：	<b>Cost:</b>			
年初	At beginning	140	725	865
增加	Additions	49	91	140
於二零零四年三月三十一日	At 31 March 2004	189	816	1,005
累積折舊：	<b>Accumulated depreciation:</b>			
年初	At beginning of year	14	79	93
年內撥備	Provided during the year	33	152	185
於二零零四年三月三十一日	At 31 March 2004	47	231	278
賬面淨值：	<b>Net book value:</b>			
於二零零四年 三月三十一日	At 31 March 2004	142	585	727
於二零零三年 三月三十一日	At 31 March 2003	126	646	772

15. 投資物業

15. INVESTMENT PROPERTIES

		Group 本集團	
		2004 HK\$'000	2003 HK\$'000
年初	At beginning of year	3,919	17,649
自租賃土地及樓宇轉入 (附註14)	Transfer from leasehold land and buildings (note 14)	29,275	-
轉撥至租賃土地及樓宇 (附註14)	Transfer to leasehold land and buildings (note 14)	(669)	(13,680)
重估盈利/(虧損)	Surplus/(deficit) on revaluation	3,375	(50)
於三月三十一日，按估值	At 31 March, at valuation	35,900	3,919
按地區分析之賬面淨值：	Analysis of net book value by geographical location:		
位於香港之中期租約物業	Medium term leasehold properties situated in Hong Kong	3,300	3,919
位於中國之中期租約物業	Medium term leasehold properties situated in the PRC	32,600	-
於三月三十一日，按估值	At 31 March, at valuation	35,900	3,919

投資物業由獨立執行合資格估價師衡量行 (Chung, Chan & Associates) 於二零零四年三月三十一日根據現時用途按公開市價基準進行重估。重估產生之盈利港幣3,375,000元 (二零零三年：虧損港幣50,000元) 已從投資物業重估儲備內撇除。

由於董事會認為重估投資物業不會產生稅務責任，故並無就本集團投資物業重估提撥遞延稅項。

投資物業已按經營租約租予第三者，其摘要資料已載於財務報表附註29。有關集團投資物業之進一步詳情載於本年報第51頁。

The investment properties, were revalued by an independent professionally qualified valuers, Chung, Chan & Associates, on an open market basis, based on their existing use, at 31 March 2004. The surplus arising from this revaluation of HK\$3,375,000 (2003: deficit of HK\$50,000) was credited to the investment properties revaluation reserve.

Deferred tax has not been provided on the revaluation of the investment properties of the Group because, in the opinion of the directors, the revaluation of such properties would not result in a material tax liability.

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 29 to the financial statements. Further particulars of the Group's investment properties are included in page 51 of the annual report.

16. 商譽

因收購附屬公司而列作資產入賬或於綜合資產負債表內確認之商譽數值如下：

16. GOODWILL

The amounts of the goodwill capitalised as an asset or recognised in the consolidated balance sheet, arising from the acquisition of subsidiaries, are as follows:

		HK\$'000
成本值：	Cost:	
年初，如較早前報告	At beginning of the year, as previously reported	57,677
往年調整－會計實務準則12	Prior year adjustment – SSAP 12	
－重列由業務合併所得之遞延稅項(附註5)	– restatement of deferred tax arising from a business combination (note 5)	(13,741)
於二零零三年四月一日及二零零四年三月三十一日之結餘重列	As restated at 1 April 2003 and balance at 31 March 2004	43,936
累計攤銷：	Accumulated amortisation:	
於年初	At the beginning of year	
如較早前報告	As previously reported	4,807
往年調整－會計實務準則12	Prior year adjustment – SSAP 12	
－重列由業務合併所得之遞延稅項(附註5)	– restatement of deferred tax arising from a business combination (note 5)	(1,144)
經重列	As restated	3,663
年內撥備	Provided during the year	2,198
		5,861
賬面淨值	Net book value:	
於二零零四年三月三十一日	At 31 March 2004	38,075
於二零零三年三月三十一日(經重列)	At 31 March 2003 (as restated)	40,273

17. 於附屬公司之權益

17. INTERESTS IN SUBSIDIARIES

		Company 本公司	
		2004	2003
		HK\$'000	HK\$'000
非上市股份，按成本	Unlisted shares, at cost	193,540	193,540
應收附屬公司長期款項	Long term balance due from a subsidiary	601,595	605,531
		795,135	799,071
應收附屬公司短期款項	Short term balance due from a subsidiary	116,383	11,638

17. 於附屬公司之權益 (續)

在若干附屬公司之長期結存為無抵押、免息且無須於未來12個月內償還。在若干附屬公司之短期結存為應收股息，該項結存為無抵押、免息並須於要求時償還。

本集團主要附屬公司資料如下：

17. INTERESTS IN SUBSIDIARIES (Continued)

The long term balance with a subsidiary is unsecured, interest-free and will not be repayable within the next 12 months. The short term balance due from a subsidiary is unsecured, interest-free and repayable on demand.

Particulars of the principal subsidiaries of the Group are shown as below.

Name 名稱	Place of incorporation/ registration and operations 成立／註冊地點 及營業地點	Nominal value of issued ordinary/ registered share capital 已發行普通股 股本／註冊 資本面值	Percentage of equity attributable to the Company 本公司應佔股本 權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Beijing Fuji Colour Equipment Company Limited**/# 北京富士彩色設備 有限公司**/#	PRC 中國	Registered capital US\$2,200,000 註冊資本 2,200,000美元	–	51	Property holding 物業持有
Callas Investments Limited 嘉麗詩投資有限公司	Hong Kong 香港	Ordinary HK\$2 普通港幣2元	–	100	Property holding 物業持有
China-Hongkong Photo Retail Limited 中港照相零售有限公司	British Virgin Islands/ PRC 英屬處女群島／ 中國	Ordinary US\$1 普通1美元	–	100	Investment holding 投資控股
C.Y. Sun Holdings Limited	British Virgin Islands 英屬處女群島	Ordinary US\$10,000 普通10,000美元	100	–	Investment holding 投資控股
Fotomax (F.E.) Ltd. 快圖美(遠東)公司	Hong Kong 香港	Ordinary HK\$1,000,000 普通 港幣1,000,000元	–	100	Provision of photographic, developing and processing services and retail of photographic merchandise 提供相片沖印服務及 攝影器材零售



17. 於附屬公司之權益 (續)

17. INTERESTS IN SUBSIDIARIES (Continued)

Name	Place of incorporation/ registration and operations	Nominal value of issued ordinary/ registered share capital 已發行普通股 股本/註冊 資本面值	Percentage of equity attributable to the Company		Principal activities
			Direct 直接	Indirect 間接	
名稱	成立/註冊地點 及營業地點		本公司應佔股本 權益百分比		主要業務
Fuji Graphic Arts Products Co., Ltd.	Hong Kong 香港	Ordinary HK\$10,000 普通 港幣10,000元	–	100	Marketing and distribution of printing products 推廣及經銷印刷器材
Fuji Medical Products Limited (formerly known as Nice Image Limited) (前身為Nice Image Limited)	Hong Kong 香港	Ordinary HK\$2 普通 港幣2元	–	100	Marketing and distribution of medical imaging products 推廣及經銷醫療影像 產品
Fuji Photo Products (China) Co., Limited	British Virgin Islands/ Hong Kong 英屬處女群島 /香港	Ordinary US\$10,000 普通 10,000美元	–	100	Purchase agent of photographic goods 採購攝影產品
Fuji Photo Products (China) Co., Ltd. 富士攝影器材 (中國)有限公司	Hong Kong 香港	Ordinary HK\$1,000 普通 港幣1,000元	–	100	Marketing and distribution of photographic, developing and processing products 推廣及經銷 照相沖印產品
Fuji Photo Products Company, Limited 富士攝影器材有限公司	Hong Kong 香港	Ordinary HK\$10,000,000 普通 港幣10,000,000元	–	100	Marketing and distribution of photographic, developing and processing products 推廣及經銷攝影及沖印產品
Great Earnings Investments Limited 溢進投資有限公司	Hong Kong 香港	Ordinary HK\$2 普通 港幣2元	–	100	Property holding 物業持有

17. 於附屬公司之權益 (續)

17. INTERESTS IN SUBSIDIARIES (Continued)

Name	Place of incorporation/ registration and operations	Nominal value of issued ordinary/ registered share capital 已發行普通股 股本/註冊 資本面值	Percentage of equity attributable to the Company		Principal activities
			Direct 直接	Indirect 間接	
名稱	成立/註冊地點 及營業地點		本公司應佔股本 權益百分比		主要業務
Hainan Fuji Colour Equipment Company Limited*/# 海南富士彩色設備 有限公司*/#	PRC 中國	Registered capital HK\$5,000,000 註冊資本 港幣5,000,000元	-	100	Property holding 物業持有
Imaging and Information Products Trading Limited 影像及資訊產品 貿易有限公司	Hong Kong 香港	Ordinary HK\$1,000 普通 港幣1,000元	-	100	Marketing and distribution of photographic, developing and processing products 推廣及經銷攝影及沖印產品
Majestic Income Limited 高息有限公司	Hong Kong 香港	Ordinary HK\$2 普通 港幣2元	-	100	Property holding 物業持有
Orderly Mind Enterprises Limited 精幹企業有限公司	Hong Kong 香港	Ordinary HK\$2 普通 港幣2元	-	100	Property holding 物業持有
Palace Glory Limited 滿堂有限公司	Hong Kong 香港	Ordinary HK\$2 普通 港幣2元	-	100	Property holding 物業持有
Pride High Company Limited 傲翔有限公司	Hong Kong 香港	Ordinary HK\$2 普通 港幣2元	-	100	Property holding 物業持有
Sky Rich (Asia) Limited 天富(亞洲)有限公司	Hong Kong 香港	Ordinary HK\$2 普通 港幣2元	-	100	Property holding 物業持有
Sky Year Resources Limited 天業資源有限公司	Hong Kong 香港	Ordinary HK\$2 普通 港幣2元	-	100	Property holding 物業持有

17. 於附屬公司之權益 (續)

17. INTERESTS IN SUBSIDIARIES (Continued)

Name	Place of incorporation/ registration and operations	Nominal value of issued ordinary/ registered share capital 已發行普通股 股本/註冊 資本面值	Percentage of equity attributable to the Company		Principal activities
			Direct 直接	Indirect 間接	
Zhuhai Realscore Photosensitive Material Making Company Limited**/# 珠海真科感光材料制作有限公司**/#	PRC 中國	Registered capital HK\$14,500,000 註冊資本 港幣14,500,000元	–	51	Dormant 休業
中商中港(上海)國際貿易有限公司*/#	PRC 中國	Registered capital US\$300,000 註冊資本 300,000美元	–	100	Marketing and distribution of printing products in PRC 於中國推廣 及經銷沖印產品

\* 該等附屬公司以外商獨資企業於中國註冊。

\* These subsidiaries were registered as wholly-owned foreign investment enterprises in the PRC.

\*\* 該等附屬公司以外資企業於中國註冊。

\*\* These subsidiaries are foreign enterprises registered in the PRC.

# 並非由香港安永會計師事務所或安永國際成員公司核數。

# Not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.

上表所列乃董事會認為對本集團本年度業績有重大影響或佔本集團淨資產主要部份之附屬公司。董事會認為，倘列出其他附屬公司之詳情會使篇幅過於冗長。

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

**18. 存貨**

集團存貨主要為供轉售之照相沖印產品。於結算日，集團所持存貨按可變現淨值計算為港幣19,490,000元（二零零三年：港幣854,000元）。

**19. 應收賬項及票據**

本集團與顧客之交易主要以賒賬方式進行，惟新客戶一般需要預先付款。顧客通常須於發票發出後三十日內結賬，但部份長期顧客的賬期可延長至一百二十日。每位客戶均有最高信貸限額，並由高級管理層批准。本集團致力嚴格控制未償還之應收賬款，並設有信貸控制部門以盡量減低信貸風險。高層管理人員定期檢視逾期賬款。

按逾期日計算，以下為扣除撥備後應收賬項及票據的賬齡分析：

**18. INVENTORIES**

Inventories principally consist of photograph developing and processing products for resale. At the balance sheet date, the amount of inventories held by the Group, carried at net realisable value was HK\$19,490,000 (2003: HK\$854,000).

**19. TRADE AND BILLS RECEIVABLES**

Trading terms with customers are largely on credit, except for new customers, where payment in advance is normally required. Invoices are normally payable within 30 days of issuance, except for certain well established customers, where the terms are extended to 120 days. Each customer has a maximum credit limit approved by senior management. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are regularly reviewed by senior management.

An aged analysis of trade and bills receivables net of provisions, based on the overdue date, is detailed below.

		Group 本集團	
		2004	2003
		HK\$'000	HK\$'000
即期至三個月	Current to 3 months	158,915	294,484
四至六個月	4 to 6 months	17,786	62,967
七至九個月	7 to 9 months	7,390	36,095
九個月以上	Over 9 months	70,890	9,960
		<b>254,981</b>	<b>403,506</b>

**20. 現金及現金等值項目**

**20. CASH AND CASH EQUIVALENTS**

		Group 本集團		Company 本公司	
		2004	2003	2004	2003
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
現金及現金等值項目：	Cash and cash equivalents:				
現金及銀行結餘	Cash and bank balances	225,218	311,020	932	1,473
於一年內到期定期存款	Time deposits with maturity within one year	305,712	48,395	-	-
		<b>530,930</b>	<b>359,415</b>	<b>932</b>	<b>1,473</b>

**20. 現金及現金等值項目 (續)**

於結算日，本集團以人民幣計值之現金及銀行結餘達港幣39,851,837(二零零三年：港幣65,281,563元)。人民幣並不能自由兌換為其他貨幣，惟根據中國內地之《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團獲准透過特許進行外匯業務之銀行將人民幣兌換為其他貨幣。

**21. 應付賬項及票據**

根據購買貨品及獲得服務的日期計算，應付賬項的賬齡分析如下：

**20. CASH AND CASH EQUIVALENTS (Continued)**

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$39,851,837 (2003: HK\$65,281,563). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

**21. TRADE AND BILLS PAYABLES**

An aged analysis of trade payables based on the date of goods purchased and services rendered is as follows:

		Group 本集團	
		2004	2003
		HK\$'000	HK\$'000
即期至三個月	Current to 3 months	<b>70,900</b>	93,063
三個月以上	Over 3 months	<b>2,189</b>	4,960
		<b>73,089</b>	98,023

**22. 信託收據貸款**

往年之信託收據貸款以本公司所作擔保為抵押，並已於年內全數償還。

**22. TRUST RECEIPTS LOANS**

The prior year's trust receipt loans were secured by the guarantee given by the Company and were fully repaid during the year.

**23. 長期服務金撥備**

本集團已就根據香港《僱傭條例》預期須向僱員發放之可能未來長期服務金作出撥備，詳情如財務報表附註3「僱員福利」所詳釋。此項撥備乃基於截至結算日時僱員之服務年資計算僱員預期享有之可能領取之未來長期服務金之最佳推測而作出。

**23. PROVISION FOR LONG SERVICE PAYMENTS**

		Group 本集團	
		2004	2003
		HK\$'000	HK\$'000
於年初	At beginning of year	<b>2,064</b>	2,017
年內撥備／(撤銷撥備)	Provision/(write-back of provision) for the year	<b>(19)</b>	47
年內付款	Payment for the year	<b>(117)</b>	-
於年終	At end of year	<b>1,928</b>	2,064

The Group provides for the probable future long service payments expected to be made to employees under the Hong Kong Employment Ordinance, as further explained under the heading "Employee benefits" in note 3 to the financial statements. The provision is based on the best estimate of the probable future payments which have been earned by the employees from their service to the Group at the balance sheet date.

**24. 遞延稅項**

年內及往年遞延稅項資產變動如下：

**遞延稅項資產**

Group

本集團

**24. DEFERRED TAX**

The movements in deferred tax assets during the current and prior years are as follows:

**Deferred tax assets**

		2004 HK\$'000	Losses available for offset against future taxable profit 對銷未來可課稅 溢利之可用虧損 2003 HK\$'000 (Restated) (重列)
於年初	At beginning of the year		
如較早前報告	As previously reported	-	-
往年調整：	Prior year adjustment:		
會計實務準則第12條	SSAP 12 – restatement of deferred		
– 重列遞延稅項 (附註5)	tax (note 5)	-	1,698
經重列	As restated	-	1,698
於損益賬扣除之遞延稅項 (除註10)	Deferred tax charged to the profit and loss account (note 10)	-	(1,698)
於三月三十一日之遞延稅項資產	Deferred tax assets at 31 March	-	-

內年採納會計實務準則第12條(經修訂)，詳細解釋載於財務報表附註2及5。會計政策之變動導致遞延稅項於二零零二年四月一日增加港幣1,698,000元及導致於截至二零零三年三月三十一日止年度出現同額之稅項支出。

於二零零四年三月三十一日，本集團香港之稅項虧損為港幣233,642,000元(二零零三年：港幣301,890,000元)，絕對可用以對銷公司未來因虧損所至之可課稅溢利。由於遞延稅項資產乃於已有一段時間錄得虧損之附屬公司出現，故並未就該等虧損入賬。

於二零零四年三月三十一日，就本集團附屬公司若干不能免除之應付稅項而言，並無重大未入賬之遞延稅項負債(二零零三年：無)，因集團並無責任在若該等款項經免除後付予額外稅款。

SSAP 12 (Revised) was adopted during the year, as further explained in notes 2 and 5 to the financial statements. This change in accounting policy has resulted in an increase in deferred tax asset of HK\$1,698,000 as at 1 April 2002 and an increase in tax charge of the same amount for the year ended 31 March 2003.

As at 31 March 2004, the Group had tax losses arising in Hong Kong of HK\$233,642,000 (2003: HK\$301,890,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time.

At 31 March 2004, there was no significant unrecognised deferred tax liability (2003: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries as the Group has no liability to additional tax should such amounts be remitted.

**24. 遞延稅項 (續)**

本公司向其股東發息之款項並無帶來所得稅後果。

**25. 股本  
股份**

**24. DEFERRED TAX (Continued)**

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

**25. SHARE CAPITAL  
Shares**

		Group and Company 集團及本公司	
		2004	2003
		HK\$'000	HK\$'000
法定：	Authorised:		
普通股 2,000,000,000 股 每股面值港幣一角	2,000,000,000 ordinary shares of HK\$0.10 each	200,000	200,000
已發行及繳足：	Issued and fully paid:		
普通股 1,163,828,377 股 每股面值港幣一角	1,163,828,377 ordinary shares of HK\$0.10 each	116,383	116,383

**購股權**

本公司購股權計劃之詳情載於財務報表附註 26。

**Share options**

Details of the Company's share option scheme are included in note 26 to the financial statements.

**26. 購股權計劃**

本公司為獎勵及酬報曾對本集團業務成功作出貢獻之合資格參與者而設立購股權計劃 (「計劃」)。

**26. SHARE OPTION SCHEME**

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations.

在公司於二零零二年八月三十日舉行之股東週年大會上，本公司股東通過一項普通決議案，以採納遵循經修訂之上市規則第 17 章規定之新購股權計劃 (「新計劃」)，以及終止本公司於一九九四年八月三十一日採納之購股權計劃 (「舊計劃」)。舊計劃終止後，本公司不得再據此授出任何購股權，惟於舊計劃終止前授出之所有購股權繼續有效，並可根據舊計劃條文予以行使。

In the Company's annual general meeting held on 30 August 2002, an ordinary resolution was passed by the Company's shareholders for the adoption of a new share option scheme (the "New Scheme") in compliance with the amended Chapter 17 of the Listing Rules and the termination of the Company's share option scheme (the "Old Scheme") adopted on 31 August 1994. Upon termination of the Old Scheme, no further options can be granted thereunder but all options granted prior to such termination shall continue to be valid and exercisable in accordance with the provisions of the Old Scheme.

計劃之合資格參與者，包括本公司之董事 (包括獨立非執行董事)、本集團其他僱員、本集團貨品及服務供應商、本集團客戶、本集團持有股權之公司、任何向本集團提供研究、開發或其他技術支持的代理商、諮詢人、顧問、策略員、承包商、分包商、專家，或由本集團任何成員公司所發行之證券之持有人、本集團任何成員公司之股東或本集團持有股權之公司。

Eligible participants of the Scheme include the Company's directors, including independent non-executive directors, other employees of the Group, suppliers of goods and services to the Group, customers of the Group, any entity in which the Group holds any equity interest, any agent, advisors, consultant, strategist, contractor, sub-contractor, expert that provides research, development or other technological support to the Group or any holder of any securities issued by any member of the Group any shareholder of any member of the Group, and any entity in which the Group holds any equity interest.



**26. 購股權計劃 (續)**

年內並無根據新計劃授出購股權。新計劃於二零零二年八月三十日生效，而除非被註銷或經修改，否則自該日起十年內仍然有效。

根據新計劃，現時容許授出而尚未行使之最高數目購股權乃指於行使時佔本公司不時已發行股份10%。於二零零四年三月三十一日，根據舊計劃授出之購股權可予發行之股份數目為1,460,000股，佔本公司當日已發行股份約0.13%。於任何十二個月期間，根據授予各合資格參與者之購股權可發行股份之最高數目均限於本公司當時已發行股本之1%。在此限制之外授出購股權須在股東大會上獲得股東批准。

向本公司各董事、行政總裁或主要股東或彼等之任何聯繫人士授予購股權，須事先獲得獨立非執行董事批准。此外，倘於任何十二個月授予本公司主要股東或獨立非執行董事或彼等之任何聯繫人士之購股權超過本公司不時已發行股份之0.1%或總值（根據授出購股權當日本公司股份價格計算）超過港幣5,000,000元，則須事先在股東大會上獲得股東批准。

授出購股權之要約可於要約日期起計二十八日內授納。接納購股權要約時須支付港幣1元代價。已授出購股權之行使期由董事釐定，於若干歸屬期後開始並於購股權要約日期起計不多於十年之某個日子後終止。

購股權之行使價由董事釐定，惟不得少於以下三者之最高者：(i)本公司股份於要約授出日期（必須為交易日）在聯交所之收市價；(ii)緊接要約授出日期前五個交易日本公司股份於聯交所之平均收市價；及(iii)本公司股份面值。

購股權並不授予持有人享有股息或於股東大會上投票之權力。

**26. SHARE OPTION SCHEME (Continued)**

During the year, no share options were granted under the New Scheme. The New Scheme became effective on 30 August 2002 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. At 31 March 2004, the number of shares issuable under share options granted under the Old Scheme was 1,460,000, which represented approximately 0.13% of the Company's shares in issue as at that date. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period, is limited to 1% of the issued capital of the Company for the time being. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of the offer. A consideration of HK\$1 is payable on acceptance of the offer of grant of an option. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than ten years from the date of the offer of the share options.

The exercise price of the share options is determinable by the directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of grant, which must be a trading date; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Company's shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

26. 購股權計劃 (續)

本年度內舊計劃之未行使購股權如下：

26. SHARE OPTION SCHEME (Continued)

The following share options were outstanding under the Old Scheme during the year:

Name or category of participant 參與者姓名或類別	Number of share option 購股權數目			Date of grant of share options* 授出購 股權日期*	Exercise period of share options 購股權 行使期	Exercise price of share options** 購股權 行使價** 港幣	Price of Company's shares*** 本公司股價***		
	At 1 April 2003 於二零零三年 四月一日	Lapsed during the year 於年內 失效	At 31 March 2004 於二零零四年 三月三十一日				At grant date of options 於授出購 股權日期 港幣	At exercise date of options 於行使購 股權日期 港幣	
董事 孫大倫博士	Directors Dennis Sun Tai Lun	1,000,000	-	1,000,000	21 June 2000 二零零零年 六月二十一日	21 June 2000 to 30 June 2004 二零零零年六月二十一日至 二零零四年六月三十日	0.7568	0.97	-
鄧國業先生	Simon Tang Kwok Tong	400,000	-	400,000	21 June 2000 二零零零年 六月二十一日	21 June 2000 to 30 June 2004 二零零零年六月二十一日至 二零零四年六月三十日	0.7568	0.97	-
吳玉華女士	Eileen Ng Yuk Wah	250,000	(250,000)	-	31 January 2000 二零零零年 一月三十一日	31 January 2000 to 29 February 2004 二零零零年一月三十一日至 二零零四年二月二十九日	0.8048	0.97	-
其他僱員，總額	Other employees, in aggregate	1,650,000 460,000	(250,000) (400,000)	1,400,000 60,000	31 January 2000 二零零零年 一月三十一日	31 January 2000 to 30 June 2004 二零零零年一月三十一日 二零零四年六月三十日	0.7568	0.97	-
		2,110,000	(650,000)	1,460,000					

年內，共650,000份原授予一名董事及某些僱員之購股權已於超過行使期限後失效。

During the year, a total of 650,000 share options originally granted to a director and certain employees, lapsed subsequent to the expiry of the exercise period.

因年內未有授出購股權，故不披露其理論價值。

No theoretical value of the share option is disclosed as no share options were granted during the year.

\* 購股權持有期由授出日開始，至行使期間開始時結束。

\* The vesting period of the share options is from the date of the grant until the commencement of the exercise period.

\*\* 購股權之行使價會視乎供股或發行紅股，或本公司股本出現類似變動而調整。

\*\* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

\*\*\* 上表所披露本公司於購股權授出之日之股價指授出購股權日之前一個交易日，股份於聯交所之收市價。上表所披露本公司於購股權行使之日之股價指所披露類別內全部購股權行使時聯交所收市價之加權平均價。由於年內並無購股權被行使或註銷，故不披露此等資料。

\*\*\* The price of the Company's shares disclosed as at the date of the grant of the share options is the Stock Exchange closing price on the trading day immediately prior to the date of the grant of the options. The price of the Company's shares disclosed as at the date of the exercise of the share options is the weighted average of the Stock Exchange closing prices over all of the exercises of options within the disclosure line. As no share options were exercised during the year, no disclosure of such information was made.

27. 儲備

(a) 本集團

本集團儲備以其於本年及過往年度之變動，載於財務報表第43頁之綜合權益變動表。

(b) 本公司

27. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 43 of the financial statements.

(b) Company

	Notes	Share premium account 溢價賬 HK\$'000	Capital redemption reserve 資本贖回儲備 HK\$'000	Contributed surplus 實繳盈餘 HK\$'000	Retained profits 保留溢利 HK\$'000	Total 總額 HK\$'000
於二零零二年 四月一日	At 1 April 2002	478,773	1,619	193,340	7,360	681,092
年度溢利	Profit for the year	-	-	-	32,828	32,828
中期股息	Interim dividend	12	-	-	(23,277)	(23,277)
擬派特別股息	Proposed special dividend	12	-	-	(11,638)	(11,638)
於二零零三年 三月三十一日	At 31 March 2003	478,773	1,619	193,340	5,273	679,005
年度溢利	Profit for the year	-	-	-	125,490	125,490
中期特別股息	Interim special dividend	12	-	-	(11,638)	(11,638)
擬派末期特別 股息	Proposed final special dividend	12	-	-	(116,383)	(116,383)
於二零零四年 三月三十一日	At 31 March 2004	478,773	1,619	193,340	2,742	676,474

本公司實繳盈餘為本公司於收購附屬公司全部已發行股份時有關公司之綜合資產淨值及本公司因此而發行股份之面值之差額。根據百慕達一九八一年公司法(經修訂)的規定，本公司於若干情況下可將實繳盈餘分派予股東。

The contributed surplus of the Company represents the difference between the nominal value of the Company's shares issued in exchange for the issued share capital of the subsidiaries and the aggregate net asset value of the subsidiaries acquired at the date of acquisition. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus of the Company is distributable to shareholders under certain circumstances.

28. 或然負債

28. CONTINGENT LIABILITIES

		Group 本集團		Company 本公司	
		2004 HK\$'000	2003 HK\$'000	2004 HK\$'000	2003 HK\$'000
向附屬公司所獲銀行 信貸作出擔保	Guarantee of banking facilities granted to subsidiaries	-	-	669,000	669,000

如上所述，本公司就附屬公司所獲銀行信貸而作出港幣669,000,000元之擔保，其中港幣49,509,000元(二零零三年：港幣116,239,000)於結算日已獲附屬公司提用。

Out of the guarantee of banking facilities granted to subsidiaries to banks, amounting to HK\$669,000,000, as disclosed above, HK\$49,509,000 (2003: HK\$116,239,000) was utilised by the subsidiaries at the balance sheet date.

**29. 經營租約安排**

**(a) 出租人**

本集團根據經營租約安排租出其投資物業(財務報表附註15)，經磋商訂定租期為2至9年。

於二零零四年三月三十一日，本集團就與租戶訂立之不可撤銷經營租約而可於未來收取之最低租金總額如下：

		Group 本集團	
		2004 HK\$'000	2003 HK\$'000
一年內	Within one year	1,574	506
二至五年(包括首尾兩年)	In the second to fifth years, inclusive	2,094	169
五年後	After five years	955	-
		<b>4,623</b>	<b>675</b>

**(b) 承租人**

本集團按經營租約安排承租若干零售門市物業，物業租期經磋商訂定為期一至十年。本公司並未簽訂任何經營租約協議。於二零零四年三月三十一日，本公司就不可撤銷之經營租約而須於未來支付之最低租金總額如下：

		Group 本集團	
		2004 HK\$'000	2003 HK\$'000
一年內	Within one year	29,759	32,527
二至五年(包括首尾兩年)	In the second to fifth years, inclusive	24,084	31,563
五年後	After five years	228	12,604
		<b>54,071</b>	<b>76,694</b>

**30. 比較數額**

如財務報表附註2及5闡釋，因年內採納經修訂之會計實務準則第12條，在財務報表中若干項目及結餘之會計處理及呈報已經修訂，以符合新訂要求。因此，若干上年度調整及若干比較數額已重新分類，以符合本年度之呈報方式。

除上述者外，於上年度記入銷售成本之港幣5,567,000元之集團零售店若干折舊開支，已重新分類為銷售及分銷開支。董事會認為此舉更可適當地呈列本集團之開支項目性質。

**31. 財務報表之批准**

本財務報表已於二零零四年七月十五日經董事會批准及授權發布。

**29. OPERATING LEASE ARRANGEMENT**

**(a) As lessor**

The Group leases its investment properties (note 15 to the financial statements) under operating lease arrangements, with leases negotiated for terms ranging from two to nine years.

At 31 March 2004, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		Group 本集團	
		2004 HK\$'000	2003 HK\$'000
一年內	Within one year	1,574	506
二至五年(包括首尾兩年)	In the second to fifth years, inclusive	2,094	169
五年後	After five years	955	-
		<b>4,623</b>	<b>675</b>

**(b) As lessee**

The Group leases certain of its retail outlets under operating lease arrangements. Leases for retail outlets are negotiated for terms ranging from one to ten years. The Company did not enter any operating lease agreements. At 31 March 2004, the Group had the following total future minimum lease payments under non-cancellable operating leases.

		Group 本集團	
		2004 HK\$'000	2003 HK\$'000
一年內	Within one year	29,759	32,527
二至五年(包括首尾兩年)	In the second to fifth years, inclusive	24,084	31,563
五年後	After five years	228	12,604
		<b>54,071</b>	<b>76,694</b>

**30. COMPARATIVE AMOUNTS**

As further explained in notes 2 and 5 to the financial statements, due to the adoption of the revised SSAP 12 during the current year, the accounting treatment of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain prior year adjustments have been made and certain comparative amounts have been reclassified to conform with the current year's presentation.

Apart from the above, certain depreciation charges on the Group's retail outlets amounting to HK\$5,567,000 which were recorded in the cost of sales in the prior year have been reclassified to selling and distribution expenses. In the opinion of the directors, such reclassification provides a better presentation of the nature of the Group's expense items.

**31. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the board of directors on 15 July 2004.