

**1. 公司資料**

中港照相器材集團有限公司為一間於英屬處女群島註冊成立之有限公司。

本公司註冊辦事處位於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220-248號荃灣工業中心8字樓。

年內，集團主要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。

**2.1 編製基準**

本財務報表乃按香港會計師公會頒佈的香港財務報告準則（亦包括香港會計準則及詮釋）、香港普遍採用之會計準則及香港公司條例的披露要求而編製。除投資物業乃按公平價值計量外，財務報表採用歷史成本法編製。本財務報表乃以港幣（「港幣」）呈報，除非另有註明，所有數值四捨五入至最接近之千位（「港幣千元」）。

**綜合基準**

本綜合財務報表包括本公司及其附屬公司截至2006年3月31日止年度之財務報表。任何可能存在之相異會計政策已相應作出調整以使之貫徹一致。附屬公司之業績從收購日期（即本集團獲得控制權日期）直至該項控制權終止日期進行合併。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。

**1. CORPORATE INFORMATION**

China-Hongkong Photo Products Holdings Limited is a limited company incorporated in Bermuda.

The registered office of the Company 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, 220-248 Texaco Road, Tsuen Wan, Hong Kong.

During the year, the Group was principally involved in the marketing and distribution of photographic developing, processing and printing products and the operations of retail photographic 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.

**2.1 BASIS OF PREPARATION**

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, 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 investment properties, which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand (HK\$'000) except when otherwise indicated.

**Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2006. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

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

**2.2 新增及經修訂之香港財務報告準則  
（「香港財務報告準則」）之影響**

本集團就本年度之財務報表首次採納下列對集團有影響之新增及經修訂之香港財務報告準則：

香港會計準則第1號	財務報表之呈列
香港會計準則第2號	存貨
香港會計準則第7號	現金流量報表
香港會計準則第8號	會計政策、會計估計之變動及差錯
香港會計準則第10號	結算日後事項
香港會計準則第12號	所得稅
香港會計準則第14號	分類報告
香港會計準則第16號	物業、廠房及設備
香港會計準則第17號	租賃
香港會計準則第18號	收益
香港會計準則第19號	僱員福利
香港會計準則第21號	外幣匯率變動之影響
香港會計準則第24號	關連人士披露
香港會計準則第27號	綜合及獨立財務報表
香港會計準則第28號	於聯營公司之投資
香港會計準則第31號	於合營公司之權益
香港會計準則第32號	金融工具： 披露及呈列
香港會計準則第33號	每股盈利
香港會計準則第36號	資產減值
香港會計準則第37號	撥備、或然負債及或然資產
香港會計準則第39號	金融工具：確認及計量
香港會計準則第39號 （經修訂）	金融資產及金融負債之過渡及初次確認
香港會計準則第40號	投資物業
香港財務報告準則第2號	基於股份支付
香港財務報告準則第3號	業務合併
香港（準則詮釋委員會）－詮釋第21號	所得稅－重估非折舊資產之撥回
香港－詮釋第4號	租賃－有關香港土地租賃租期期限之釐定

**2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)**

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

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 12	Income Taxes
HKAS 14	Segment Reporting
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 18	Revenue
HKAS 19	Employee Benefits
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 28	Investments in Associates
HKAS 31	Interests in Joint Ventures
HKAS 32	Financial Instruments: Disclosure and Presentation
HKAS 33	Earnings per Share
HKAS 36	Impairment of Assets
HKAS 37	Provisions, Contingent Liabilities and Contingent Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HKAS 39 Amendment	Transition and Initial Recognition of Financial Assets and Financial Liabilities
HKAS 40	Investment Property
HKFRS 2	Share-based Payment
HKFRS 3	Business Combinations
HK(SIC)-Int 21	Income Taxes – Recovery of Revalued Non-depreciable Assets
HK-Int 4	Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases

## 2.2 新增及經修訂之香港財務報告準則 （「香港財務報告準則」）之影響（續）

採納香港會計準則第2、7、8、10、12、14、16、18、19、27、28、31、32、33、37、39及39（經修訂）號對本集團及本公司之會計政策以及本集團及本公司財務報表之計算方法並無重大影響。

香港會計準則第1號影響綜合損益賬、綜合資產負債表及綜合權益變動表以及其他披露事項內之少數股東權益呈列方式。

香港會計準則第21號對本集團並無重大影響。按香港會計準則第21號過渡性條文允許之方式，2005年1月1日之前業務合併產生之商譽及收購時作出之公平值調整，均視作以本公司之貨幣進行。就2005年1月1日之後進行之收購而言，收購海外業務產生之任何商譽及對有關資產及負債賬面值作出之公平值調整，均視作海外業務之資產及負債，並根據香港會計準則第21號按結算匯率折算。

香港會計準則第24號將關連人士之定義擴大，影響本集團之關連人士披露。

採納其他香港財務報告準則之影響概述如下：

### (a) 香港會計準則第17號－租賃及香港－詮釋第4號－租賃－有關香港土地租賃租期期限之釐定

於過往年度，持作自用之租賃土地及樓宇按成本減累計折舊及任何減值虧損列值。

採納香港會計準則第17號及香港－詮釋第4號後，本集團之土地及樓宇之租賃權益分別計入租賃土地及租賃樓宇。由於預期土地擁有權不會於租約屆滿時轉交予本集團，因此本集團之租賃土地列作經營租約，並由物業、廠房及設備重新分類為預付土地租金，而租賃樓宇則繼續分類為物業、廠房及設備之一部分。經營租約之預付土地租金首先按成本入賬，其後以直線法於租期內攤銷。倘租金不能可靠地劃分於土地及樓宇部分，則全部租金均計入土地及樓宇成本，列為物業、廠房及設備之融資租約。

## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

The adoption of HKASs 2, 7, 8, 10, 12, 14, 16, 18, 19, 27, 28, 31, 32, 33, 37, 39 and 39 Amendment has had no material impact on the accounting policies of the Group and the Company and the methods of computation in the Group's and the Company's financial statements.

HKAS 1 has affected the presentation of minority interests on the face of the consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity and other disclosures.

HKAS 21 had no material impact on the Group. As permitted by the transitional provisions of HKAS 21, goodwill arising in a business combination prior to 1 January 2005 and fair value adjustments arising on that acquisition are deemed to be in the currency of the Company. In respect of acquisitions subsequent to 1 January 2005, any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of the assets and liabilities are treated as assets and liabilities of the foreign operation and are translated at the closing rate in accordance with HKAS 21.

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

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

### (a) HKAS 17 – Leases and HK-Int 4 – Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases

In prior years, leasehold land and buildings held for own use were stated at cost less accumulated depreciation and any impairment losses.

Upon the adoption of HKAS 17 and HK-Int 4, the Group's leasehold interest in land and buildings is separated into leasehold land and leasehold buildings. The Group's leasehold land is classified as an operating lease, because the title of the land is not expected to pass to the Group by the end of the lease term, and is reclassified from property, plant and equipment to prepaid land lease payments, while leasehold buildings continue to be classified as part of property, plant and equipment. Prepaid land lease payments under operating leases are initially stated at cost and subsequently amortised on the straight-line basis over the lease term. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the leasehold land and buildings as a finance lease in property, plant and equipment.

## 2.2 新增及經修訂之香港財務報告準則 （「香港財務報告準則」）之影響（續）

### (a) 香港會計準則第17號－租賃及香港 －詮釋第4號－租賃－有關香港土地 租賃租期期限之釐定（續）

上述會計政策之變動對綜合損益賬及保留溢利並無影響。綜合資產負債表內截至2005年3月31日止年度之比較金額已予重列，以反映租賃土地之重新分類。採納香港會計準則第17號之影響載於財務報表附註2.4。

### (b) 香港會計準則第40號－投資物業

於過往年度，投資物業之公平值變動乃於投資物業重估儲備中作為變動處理。倘按組合基準此儲備總額不足以應付虧絀，超出之虧絀數額將從損益賬中扣除。任何其後之重估盈餘將計入損益賬中，惟以過往所扣除之虧絀為限。

於採納香港會計準則第40號後，投資物業之公平值變動所產生之盈虧損乃計入其產生年度之損益賬內。根據香港會計準則第40號之過渡性條文，於2005年4月1日之保留溢利及投資物業重估儲備之期初餘額已予重列，以反映此變動，而比較金額並未重列。上述變動之影響概述於財務報表附註2.4。

### (c) 香港財務報告準則第2號－基於股份 支付

於過往年度，有關向僱員（包括董事）授出可認購本公司股份之購股權，毋須確認及計算為基於股份支付之交易，直至僱員行使該等購股權為止，屆時股本及股份溢價均會計入所得收益。

採納香港財務報告準則第2號後，當僱員（包括董事）提供服務為股權工具之代價（「股權結算交易」）時，與僱員進行股權結算交易之成本乃參考該等工具於授出當日之公平值計算。

基於股份支付之經修訂會計政策於下面財務報表附註3「主要會計政策摘要」概述。

## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

### (a) HKAS 17 – Leases and HK-Int 4 – Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases (Continued)

This change in accounting policy has had no effect on the consolidated income statement and retained profits. The comparative amounts for the year ended 31 March 2005 in the consolidated balance sheet have been restated to reflect the reclassification of the leasehold land. The effects of adopting HKAS 17 are summarised in note 2.4 to the financial statements.

### (b) HKAS 40 – Investment Property

In prior years, changes in the fair values of investment properties were dealt with as movements in the investment property revaluation reserve. If the total of this reserve was insufficient to cover a deficit, on a portfolio basis, the excess of the deficit was charged to the income statement. Any subsequent revaluation surplus was credited to the income statement to the extent of the deficit previously charged.

Upon the adoption of HKAS 40, gains or losses arising from changes in the fair values of investment property are included in the income statement in the year in which they arise. In accordance with the transitional provisions of HKAS 40, the opening balances of retained profits and the investment property revaluation reserves as at 1 April 2005 have been restated to reflect this change and comparative amounts have not been restated. The effects of the above change are summarised in note 2.4 to the financial statements.

### (c) HKFRS 2 – Share-based Payment

In prior years, no recognition and measurement of share-based transactions in which employees (including directors) were granted share options over shares in the Company were required until such options were exercised by employees, at which time the share capital and share premium were credited with the proceeds received.

Upon the adoption of HKFRS 2, when employees (including directors) render services as consideration for equity instruments (“equity-settled transactions”), the cost of the equity-settled transactions with employees is measured by reference to the fair value at the date at which the instruments are granted.

The revised accounting policy for share-based payment transactions is described in more detail in note 3 “Summary of significant accounting policies” below.

**2.2 新增及經修訂之香港財務報告準則  
（「香港財務報告準則」）之影響（續）**

**(c) 香港財務報告準則第2號 – 基於股份  
支付（續）**

本集團已採納香港財務報告準則第2號之過渡性條文，據此，並未將新計量政策應用於(i)於2002年11月7日或之前授予僱員之購股權；(ii)於2002年11月7日之後授予僱員但於2005年4月1日仍未歸屬之購股權。

由於本集團概無任何已於2002年11月7日至2005年3月31日期間授出但於2005年4月1日仍未歸屬之僱員購股權，故採納香港財務報告準則第2號對本集團財務報表並無重大影響。

**(d) 香港財務報告準則第3號 – 業務合併  
及香港會計準則第36號 – 資產減值  
於過往年度，於2001年1月1日或之後  
進行收購產生之商譽撥充資本，並按  
其估計可使用年期以直線法攤銷，並  
須於出現任何減值跡象時測試有否減  
值。**

採納香港財務報告準則第3號及香港會計準則第36號後，本集團不再每年檢討商譽攤銷，而開始每年測試現金產生單位水平有否減值（倘發生事件或情況轉變而顯示賬面值可能減值時，則增加測試次數）。

香港財務報告準則第3號之過渡性條文規定本集團將於2005年4月1日之累計攤銷之賬面值與相應之商譽成本調整對銷。

上述變動之影響概述於財務報表附註2.4。根據香港財務報告準則第3條之過渡性條文，比較數額已重列。

**(e) 香港（準則詮釋委員會） – 詮釋第21  
號 – 所得稅 – 重估非折舊資產之撥  
回**

於過往年度，重估投資物業產生之遞延稅項已根據出售投資物業時適用之稅率確認。

採納香港（準則詮釋委員會） – 詮釋第21號後，重估本集團投資物業產生之遞延稅項將視乎物業會否通過使用或出售收回而釐定。本集團已決定通過出售收回其投資物業之遞延稅項，故已將溢利稅率應用於計算遞延稅項。

**2.2 IMPACT OF NEW AND REVISED HONG KONG  
FINANCIAL REPORTING STANDARDS (“HKFRSs”)**

*(Continued)*

**(c) HKFRS 2 – Share-based Payment *(Continued)***

The Group has adopted the transitional provisions of HKFRS 2 under which the new measurement policies have not been applied to (i) options granted to employees on or before 7 November 2002; (ii) options granted to employees after 7 November 2002 but which had vested before 1 April 2005.

As the Group did not have any employee share options which were granted during the period from 7 November 2002 to 31 March 2005, but had not yet vested as at 1 April 2005, the adoption of HKFRS 2 has had no impact to the Group's financial statements.

**(d) HKFRS 3 – Business Combinations and HKAS 36 –  
Impairment of Assets**

In prior years, goodwill arising on acquisitions on or after 1 January 2001 was capitalised and amortised on the straight-line basis over its estimated useful life and was subject to impairment testing when there was any indication of impairment.

The adoption of HKFRS 3 and HKAS 36 has resulted in the Group ceasing annual goodwill amortisation and commencing testing for impairment at the cash-generating unit level annually (or more frequently if events or changes in circumstances indicate that the carrying value may be impaired).

The transitional provisions of HKFRS 3 have required the Group to eliminate at 1 April 2005 the carrying amounts of accumulated amortisation with a corresponding adjustment to the cost of goodwill.

The effects of the above changes are summarised in note 2.4 to the financial statements. In accordance with the transitional provisions of HKFRS 3, comparative amounts have not been restated.

**(e) HK(SIC)-Int 21 – Income Taxes – Recovery of  
Revalued Non-depreciable Assets**

In prior years, deferred tax arising on the revaluation of investment properties was recognised based on the tax rate that would be applicable upon the sale of the investment properties.

Upon the adoption of HK(SIC)-Int 21, deferred tax arising on the revaluation of the Group's investment properties is determined depending on whether the properties will be recovered through use or through sale. The Group has determined that its investment properties will be recovered through use, and accordingly the profits tax rate has been applied to the calculation of deferred tax.



**2.2 新增及經修訂之香港財務報告準則  
（「香港財務報告準則」）之影響（續）**

**(e) 香港（準則詮釋委員會）－詮釋第21  
號「所得稅－重估非折舊資產之撥  
回」（續）**

採納香港（準則詮釋委員會）－詮釋第  
21號對本集團財務報表並無重大影  
響。

**2.3 已頒佈但尚未生效之香港財務報告  
準則之影響**

本集團並無於本財務報表採用下列已頒佈但  
尚未生效之新增及經修訂香港財務報告準  
則。除非另有說明，該等香港財務報告準則  
於2006年4月1日或其後開始之年度期間生  
效：

香港會計準則 第1號（經修訂）	資本披露
香港會計準則 第19號（經修訂）	精算損益、集團 計劃及披露
香港會計準則 第21號（經修訂）	境外業務 投資淨額
香港會計準則 第39號（經修訂）	預測集團內部 交易之現金 流量對沖 會計處理法
香港會計準則 第39號（經修訂）	公平值選擇權
香港會計準則 第39號及香港財務 報告準則第4號 （經修訂）	財務擔保合約
香港會計準則 第41號	農業
香港財務報告準則 第1及6號（經修訂）	首次採納香港財務 報告準則及礦物 資源之勘探及 評估
香港財務報告 準則第6號	礦物資源之勘探 及評估
香港財務報告 準則第7號	金融工具：披露
香港（國際財務報告 詮釋委員會） －詮釋第4號	釐定安排是否包括 租賃
香港（國際財務報告 詮釋委員會） －詮釋第5號	解除運作、復原及 環境修復基金所 產生權益之權利
香港（國際財務報告 詮釋委員會） －詮釋第6號	參與特定市場 －廢棄電力及 電子設備產生 之負債
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號惡性通貨 膨脹經濟中之財 務報告採用重述 法

**2.2 IMPACT OF NEW AND REVISED HONG KONG  
FINANCIAL REPORTING STANDARDS (“HKFRSs”)**

(Continued)

**(e) HK(SIC)-Int 21 – Income Taxes – Recovery of  
Revalued Non-depreciable Assets (Continued)**

The adoption of HK(SIC)-Int 21 has had no material  
impact to the Group's financial statements.

**2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG  
KONG FINANCIAL REPORTING STANDARDS**

The Group has not applied the following new and revised  
HKFRSs that have been issued but are not yet effective, in  
these financial statements. Unless otherwise stated, these  
HKFRSs are effective for annual periods beginning on or  
after 1 April 2006:

HKAS 1 Amendment	Capital Disclosures
HKAS 19 Amendment	Actuarial Gains and Losses, Group Plans and Disclosures
HKAS 21 Amendment	Net Investment in a Foreign Operation
HKAS 39 Amendment	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
HKAS 39 Amendment	The Fair Value Option
HKAS 39 & HKFRS 4 Amendments	Financial Guarantee Contracts
HKAS 41	Agriculture
HKFRSs 1 & 6 Amendments	First-time adoption of Hong Kong Financial Reporting Standards and Exploration for and Evaluation of Mineral Resources
HKFRS 6	Explorations for and Evaluation of Mineral Resources
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 4	Determining whether an Arrangement contains a Lease
HK(IFRIC)-Int 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
HK(IFRIC)-Int 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
HK(IFRIC)-Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies

**2.3 已頒佈但尚未生效之香港財務報告準則之影響 (續)**

香港會計準則第1號(經修訂)須於2007年4月1日或其後開始之年度期間應用。該項經修訂準則將影響披露有關本集團管理資本之目標、政策及程式之資料，有關本公司認定資本之量化數據，及符合任何資本要求及不符合之後果。

香港財務報告準則第7號包含香港會計準則第32號有關金融工具之披露要求。該項準則第7號須於2007年4月1日或其後開始之年度期間應用。

除上述者外，本集團預計採用上述準則將不會對本集團於首次應用期間之財務報表構成任何重大影響。

**2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS**

*(Continued)*

The HKAS 1 Amendment shall be applied for annual periods beginning on or after 1 April 2007. The revised standard will affect the disclosures about qualitative information about the Group's objective, policies and processes for managing capital; quantitative data about what the Company regards as capital; and compliance with any capital requirements and the consequences of any non-compliance.

HKFRS 7 incorporates the disclosure requirements of HKAS 32 relating to financial instruments. This HKFRS shall be applied for annual periods beginning on or after 1 April 2007.

Except as stated above, the Group expects that the adoption of the pronouncements listed above will not have any significant impact on the Group's financial statements in the period of initial application.

2.4 會計政策變更之影響概要

(a) 對綜合資產負債表及權益餘額之影響

2.4 SUMMARY OF THE IMPACT OF CHANGES IN ACCOUNTING POLICIES

(a) Effect on the consolidated balance sheet and balances of equity

	Effect of new policies (Increase/(decrease))	Effect of adopting 採納以下各項之影響			Total 總額 HK\$'000
		HKAS 17# 香港會計 準則第17號#	HKAS 40* 香港會計 準則第40號*	HKFRS 3* 香港財務報告 準則第3號*	
新政策之影響 (增加／(減少))	Effect of new policies (Increase/(decrease))	Prepaid land lease payments 預付土地租金 HK\$'000	Investment properties 投資物業 HK\$'000	Goodwill 商譽 HK\$'000	
於2005年4月1日	At 1 April 2005				
資產	Assets				
物業、廠房及設備	Property, plant and equipment	(10,489)	–	–	(10,489)
預付土地租金	Prepaid land lease payments	10,489	–	–	10,489
					–
權益	Equity				
投資物業重估儲備	Investment property revaluation reserve	–	(4,445)	–	(4,445)
保留溢利	Retained profits	–	4,445	–	4,445
					–

\* 調整自2005年4月1日生效

# 調整／呈列有追溯性

\* Adjustments taken effect prospectively from 1 April 2005

# Adjustments/presentation taken effect retrospectively



2.4 會計政策變更之影響概要 (續)

(a) 對綜合資產負債表及權益結餘之影響 (續)

新政策之影響  
(增加／(減少))

Effect of new policies  
(Increase/(decrease))

於2006年3月31日

At 31 March 2006

資產

Assets

物業、廠房及設備

Property, plant and  
equipment

(9,799)

–

–

(9,799)

預付土地租金

Prepaid land lease  
payments

9,799

–

–

9,799

商譽

Goodwill

–

–

2,197

2,197

2,197

權益

Equity

投資物業重估儲備

Investment property  
revaluation reserve

–

(3,545)

–

(3,545)

保留溢利

Retained profits

–

3,545

2,197

5,742

2,197

新香港財務報告準則對本集團於2004年4月1日之權益餘額並無影響。

There is no impact of new HKFRSs on the balances of equity of the Group at 1 April 2004.

2.4 SUMMARY OF THE IMPACT OF CHANGES IN ACCOUNTING POLICIES (Continued)

(a) Effect on the consolidated balance sheet and balances of equity (Continued)

Effect of adopting  
採納以下各項之影響

	HKAS 17# 香港會計 準則第17號#	HKAS 40* 香港會計 準則第40號*	HKFRS 3* 香港財務報告 準則第3號*	Total 總額
Prepaid land lease payments 預付土地租金 HK\$'000				
Investment properties 投資物業 HK\$'000				
Goodwill 商譽 HK\$'000				

2.4 會計政策變更之影響概要 (續)

(b) 對截至2006年及2005年3月31日止年度之綜合損益賬之影響

新政策之影響	Effect of new policies	Effect of adopting 採納以下各項之影響		
		HKAS 40 香港會計 準則第40號 Investment properties 投資物業 HK\$'000	HKFRS 3 香港財務 報告準則第3號 Goodwill 商譽 HK\$'000	Total 總額 HK\$'000
截至2006年3月31日止年度	<b>Year ended 31 March 2006</b>			
行政費用減少	Decrease in administrative expenses	-	2,197	2,197
其他經營開支增加	Increase in other operating expenses	(900)	-	(900)
溢利增加/(減少)總額	Total increase/(decrease) in profit	(900)	2,197	1,297
每股基本盈利增加/(減少) (以港仙計)	Increase/(decrease) in basic earnings per share (in HK cent)	(0.1)	0.2	0.1
每股攤薄盈利增加 (以港仙計)	Increase in diluted earning per share (in HK cent)	不適用N/A	不適用N/A	不適用N/A

新香港財務報告準則對本集團截至2005年3月31日止年度之綜合損益賬並無影響。

There is no impact of new HKFRSs on the consolidated income statement of the Group for the year ended 31 March 2005.

3. 主要會計政策撮要

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實體。

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任何減值虧損列出。

合營企業

合營企業乃指按合約安排成立之實體，據此，本集團及其他各方共同進行一項經濟業務。合營企業以獨立實體方式經營，而本集團及其他各方擁有其中之權益。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
Subsidiaries

A subsidiary is an entity 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 income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

Joint ventures

A joint venture company is an entity set up by contractual arrangement, whereby the Group and other parties undertake an economic activity. The joint venture company operates as a separate entity in which the Group and the other parties have an interest.

**3. 主要會計政策撮要 (續)****合營企業 (續)**

由合營人訂立之合營協議訂明合營各方之出資額、合營期及合營企業解散時將資產變現之基準。合營企業業務帶來之損益及任何盈餘資產分派，均由合營人按各自之出資比例或按合營協議之條款分攤。

合營企業之處理方式如下：

- (a) 如本集團直接或間接擁有合營企業單方面控制權，會視作附屬公司；或
- (b) 如本集團並無擁有合營企業單方面或共同控制權，惟只直接或間接擁有不少於20%之合營企業註冊股本及有能力對其行使重大影響力，會視作聯營公司。

**聯營公司**

聯營公司乃本集團長期持有其一般不少於20%之投票權並可對其發揮重大影響力、但並非歸類為附屬公司或共同控制實體之實體。

本集團應佔聯營公司之收購後業績及儲備分別計入綜合損益賬及綜合儲備內。本集團於聯營公司之權益，乃以權益會計法，按本集團應佔之資產淨值減去減值虧損後，列於綜合資產負債表內。

**關連人士**

在下列情況下，有關人士將視為本集團關連人士：

- (a) 有關人士直接或透過一名或多名中介人間接(i)控制本集團，或受到本集團或本集團及其他人士共同控制；(ii)擁有本集團權益，並可對本集團發揮重大影響力；或(iii)與他人共同擁有本集團的控制權；
- (b) 有關人士為聯營公司；
- (c) 有關人士為本集團或其母公司主要管理人員；

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

**Joint ventures (Continued)**

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture company's operations and any distributions of surplus assets are shared by the venturers, either in proportion to their respective capital contributions, or in accordance with the terms of the joint venture agreement.

A joint venture is treated as:

- (a) a subsidiary, if the Group has unilateral control, directly or indirectly, over the joint venture; or
- (b) an associate, if the Group does not have unilateral or joint control, but holds, directly or indirectly, generally not less than 20% of the joint venture's registered capital and is in a position to exercise significant influence over the joint venture.

**Associate**

An associate is an entity, not being a subsidiary or a jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of an associate is included in the consolidated income statement and consolidated reserves, respectively. The Group's interest in an associate is stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

**Related parties**

A party is considered to be related to the Group if:

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is an associate;
- (c) the party is a member of the key management personnel of the Group or its parent;

**3. 主要會計政策撮要 (續)****關連人士 (續)**

- (d) 有關人士為(a)或(c)項所述人士之直系親屬；
- (e) 有關人士受直接或間接歸屬於(c)或(d)項所述人士之實體所控制、與他人共同控制或發揮重大影響力，或擁有重大投票權；或
- (f) 有關人士為本集團或其關連人士之僱傭後福利計劃之受益人。

**商譽**

收購附屬公司而產生之商譽乃是於收購日，業務合併成本較本集團佔可識別之已收購資產、已承擔負債及或然負債公平價值淨額之權益超出之數額。

*協議日期為2005年1月1日或以後之收購有關的商譽*

收購產生之商譽乃於綜合資產負債表內確認為資產，初步按成本值列賬，其後則按成本減任何累計減值虧損列賬。

商譽之賬面值每年進行減值檢討，或如發生某些事件或情況變化顯示可能出現賬面減值，則會更頻密地進行減值檢討。

為進行減值測試，因業務合併而購入之商譽自購入之日起分配至預期可從合併產生之協同效益中獲益之本集團各個現金產生單位或現金產生單位組別，而無論本集團資產或負債是否已分配予該等單位或單位組別。獲分配商譽之各單位或單位組別：

- 為就內部管理而言對商譽進行之監察屬本集團內的最低水平；及
- 不超過按香港會計準則第14號「分類報告」而釐定之本集團主要或次要申報方式所得出之一個分類。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

**Related parties (Continued)**

- (d) the party is a close member of the family of any individual referred to in (a) or (c);
- (e) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (c) or (d); or
- (f) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

**Goodwill**

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

*Goodwill on acquisitions for which the agreement date is on or after 1 January 2005*

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset, initially measured at cost and subsequently at cost less any accumulated impairment losses.

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with HKAS 14 "Segment Reporting".

**3. 主要會計政策撮要 (續)****商譽 (續)**

減值乃通過評估與商譽有關之現金產生單位(或現金產生單位組別)之可收回金額來確定。凡現金產生單位(或現金產生單位組別)之可收回金額低於賬面值，即確認減值虧損。

倘商譽構成現金產生單位(或現金產生單位組別)之部份而該單位之部份業務已出售，則在釐定所出售業務之盈虧時，與所出售業務相關之商譽計入該業務賬面值。在這種情況下出售之商譽根據所出售業務之相對價值和現金產生單位之保留份額進行計量。

就商譽確認之減值虧損不會於往後期間回撥。

**資產減值**

倘有跡象顯示出現減值或須就資產進行年度減值測試(存貨、金融資產及商譽等項目除外)，則會估計該資產之可收回金額。可收回金額按資產或現金產生單位之使用價值或其公平價值(以較高者為準)減銷售成本計算，並就個別資產而釐定，除非有關資產並無產生現金流入，且在頗大程度上獨立於其他資產或資產組別。在此情況下，可收回金額就資產所屬之現金產生單位而釐定。

減值虧損僅於資產賬面值超出其可收回金額時予以確認。於評估使用價值時，估計日後現金流量按可反映現時市場評估之貨幣時值及資產特定風險之除稅前折現率折減至現值。減值虧損於產生期間自損益賬扣除，惟倘若資產以估值入賬，則會根據有關資產之會計政策將減值虧損入賬。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

**Goodwill (Continued)**

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

An impairment loss recognised for goodwill is not reversed in a subsequent period.

**Impairment of assets**

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets, investment properties and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case 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)****資產減值 (續)**

於各申報日會評定是否有跡象顯示先前已確認之減值虧損不再存在或減少。倘出現該等跡象，則會估計可收回金額。過往確認之資產減值虧損(商譽除外)僅會於用以釐定資產可收回金額之估計改變時撥回，惟撥回後之數額不得高於假設過往年度並無就資產確認減值虧損而應有之賬面值(扣除折舊／攤銷後)。減值虧損之撥回於產生期間計入損益賬，惟倘若資產以估值入賬，則會根據有關資產之會計政策將減值虧損之撥回入賬。

**物業、廠房及設備及折舊**

物業、廠房及設備乃按成本值減累積折舊及任何減值虧損列賬。物業、廠房及設備項目之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。物業、廠房及設備項目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物業、廠房及設備項目帶來的經濟利益及該項目之成本能可靠計量，則支出撥作該資產之額外成本或作為一項置換處理。

折舊乃按直線法計算，按各物業、廠房及設備項目之估計可使用年期撇銷其成本值至其剩餘價值。以下為折舊之主要年率：

租賃土地及樓宇	5%或租約剩餘年期
傢俬、裝置及	
租賃物業裝修	20%至33 $\frac{1}{3}$ %
機器及設備	20%
汽車	20%

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***Impairment of assets (Continued)**

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that 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 such impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

**Property, plant and equipment and depreciation**

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment 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 items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold land and buildings	5% or over the remaining lease terms
Furniture, fixtures and leasehold improvements	20% to 33 $\frac{1}{3}$ %
Machinery and equipment	20%
Motor vehicles	20%



**3. 主要會計政策撮要 (續)****物業、廠房及設備與折舊 (續)**

倘若物業、廠房及設備項目之部份具不同使用期限，該項目之成本按合理基準分配至各部份，由各部份各自計算折舊。

剩餘價值、可使用年期及折舊方法於各結算日審閱及在適當時進行調整。

物業、廠房及設備項目於出售或預期待日後使用或出售不再產生經濟利益時取消確認。取消確認年內在損益賬確認出售或棄用資產所產生之盈虧指出售所得款項淨額與有關資產賬面值之差額。

**投資物業**

投資物業指為賺取租賃收入及／或資本升值而持有之土地及樓宇(包括物業經營租約之契約權益並附合投資物業之定義)，而非用作生產或提供貨品或服務，或用作行政用途，或用作在日常業務中出售。該等物業初步按成本計量，包括交易成本。於初步確認後，投資物業按反映結算日市場狀況之公平價值列賬。

投資物業公平價值變動所產生之盈虧計入產生年度之損益賬。

棄用或出售投資物業之盈虧在棄用或出售當年之損益賬中確認。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

**Property, plant and equipment and depreciation**

*(Continued)*

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised 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 (including the leasehold interest under an operating lease for property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

**3. 主要會計政策撮要 (續)****租賃**

凡資產擁有權(法定所有權除外)之絕大部份回報及風險歸予本集團所有之租賃,均列為融資租賃。融資租賃生效時,租賃資產之成本將按最低應付租金之現值撥作資本,並連同租賃責任(不包括利息)入賬,以反映採購與融資。按資本化融資租賃持有之資產列作物業、廠房及設備,並按租期或資產之估計可使用年期兩者之中較低者計算折舊。上述租賃之融資費用自損益賬扣除,以於租期內作出定期定額扣減。

凡資產擁有權之絕大部份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。

經營租約之預付土地租金初步按成本值列賬,其後則於租期內按直線法確認入賬。倘租金未能可靠分配至土地及樓宇部份,則全部租金計入物業、廠房及設備之土地及樓宇成本作為融資租賃。

**金融資產(適用於截至2006年3月31日止年度)**

根據香港會計準則第39號所界定之金融資產分類為貸款及應收賬項。金融資產於初步確認時以公平價值計算,如投資並非按公平價值列賬及在損益賬處理者,須加上直接應佔交易成本。本集團於初步確認後釐定其金融資產分類,並在容許及適當之情況下於結算日重新評估有關分類。

所有一般買賣之金融資產概於交易日(即本集團承諾購買該資產之日期)予以確認。一般買賣乃指按照一般市場規定或慣例在一定期間內交付資產之金融資產買賣。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***Leases**

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the income statement so as to provide a constant periodic rate of charge over the lease terms.

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 income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases, net of any incentives received from the lessor, are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

**Financial assets (applicable to the year ended 31 March 2006)**

Financial assets in the scope of HKAS 39 are classified as loans and receivables. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date, i.e., the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

**3. 主要會計政策撮要 (續)****金融資產 (適用於截至2006年3月31日止年度) (續)**

貸款及應收賬項為具有固定或可確定款項，但在活躍市場中無報價之非衍生金融資產。該等資產用實際利息法按攤銷成本列賬。該等貸款及應收賬項取消確認、出現減值或進行攤銷時產生之盈虧計入損益賬。

**金融資產減值 (適用於截至2006年3月31日止年度)**

本集團於各結算日評估有否客觀跡象表明一項金融資產或一組金融資產出現減值。

**按攤銷成本列賬之資產**

如果有客觀跡象表明按攤銷成本列賬之貸款及應收賬項已產生減值虧損，資產賬面值與估算未來現金流量 (不包括尚未產生之未來信貸損失) 以原始實際利率 (即初步確認時計算之實際利率) 折現的現值之間差額確認為損失金額。有關資產之賬面值可通過直接沖減或通過撥備賬目降低。有關減值虧損在損益賬中確認。

本集團首先對具個別重要性之金融資產進行評估，評估有否客觀跡象顯示個別存有減值，並對非具個別重要性之金融資產進行評估，評估有否客觀跡象顯示個別或共同存有減值。倘若經個別評估之金融資產 (無論具重要性與否) 釐定並無客觀跡象顯示存有減值，該項資產會歸入一組具有類似信貸風險特性之金融資產內，並對該組金融資產是否存有減值共同作出評估。倘資產乃經個別評估減值且其減值虧損會或將繼續確認入賬，則有關資產不會歸入共同減值評估之內。

於往後期間，倘若減值虧損金額減少，而減少原因客觀上與確認減值後所發生之事件相關聯，則先前確認之減值虧損可予撥回。於撥回當日，倘若資產賬面值並無超出其攤銷成本，則任何減值虧損之其後撥回將於損益賬內確認入賬。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

**Financial assets (applicable to the year ended 31 March 2006) (Continued)**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

**Impairment of financial assets (applicable to the year ended 31 March 2006)**

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

**Assets carried at amortised cost**

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in profit or loss.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decreases can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

**3. 主要會計政策撮要 (續)****取消確認金融資產 (適用於截至2006年3月31日止年度)**

金融資產 (或 (倘適用) 一項金融資產之一部份或一組類似金融資產之一部份) 在下列情況將取消確認：

- 收取該項資產所得現金流量之權利經已屆滿；
- 本集團保留收取該項資產所得現金流量之權利，惟須根據一項「轉付」安排，在未有嚴重遲延之情況下向第三者全數付款；或
- 本集團已轉讓其收取該項資產所得現金流量之權利，並(a)已轉讓該項資產之絕大部份風險及回報；或(b)並無轉讓或保留該項資產絕大部份風險及回報，但已轉讓該項資產之控制權。

倘本集團已轉讓其收取該項資產所得現金流量之權利，但並無轉讓或保留該項資產之絕大部份風險及回報，亦無轉讓該項資產之控制權，則該項資產將確認入賬，惟本集團須持續介入該項資產。倘持續介入之形式為就已轉讓資產作出保證，則按該項資產之原賬面值及本集團或須償還之代價金額上限 (以較低者為準) 計算。

**取消確認金融負債 (適用於截至2006年3月31日止年度)**

倘負債之責任被解除、取消或到期，則須取消確認金融負債。

倘現有金融負債被來自同一貸款人之另一項負債按實質不同之條款取代，或現有負債之條款大部份被修訂，該項取代或修訂作為取消確認原有負債及確認新負債處理，各自賬面值之差額於損益賬內確認。

**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。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。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

**Derecognition of financial assets (applicable to the year ended 31 March 2006)**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay in full without material delay to a third party under a “pass-through” arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

**Derecognition of financial liabilities (applicable to the year ended 31 March 2006)**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

**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. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

**3. 主要會計政策摘要 (續)****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3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**

凡過往事務產生現有責任（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。

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。

當前及過往期間之即期稅項資產和負債按預期可收回或支付予稅務機構之金額作計量。

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。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

**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 sheets, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

**Provision**

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.

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 income statement.

**Income tax**

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

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

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.



**3. 主要會計政策撮要 (續)****所得稅 (續)**

遞延稅項負債確認所有可課稅暫時差額，惟下列者除外：

- 除卻商譽或最初入賬一項資產或負債所引至之遞延稅項負債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及聯營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，惟下列者除外：

- 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
- 就有關投資附屬公司及聯營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。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*(Continued)*

**Income tax (Continued)**

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from goodwill or 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 and an associate, 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 credits 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 credits 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 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 deductible temporary differences associated with investments in subsidiaries and an associate, 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 reassessed at each balance sheet date and 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.



**3. 主要會計政策撮要 (續)****所得稅 (續)**

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。

倘若存在可強制執行之法律權利，將有關同一課稅實體及同一稅務機構之流動稅項資產與流動稅項負債及遞延稅項抵銷，則對銷遞延稅項資產與遞延稅項負債。

**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：

- (a) 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；
- (b) 菲林沖晒及照片沖印服務之收入於提供服務時確認；
- (c) 供應商之津貼，在擁有收取權利時確認；
- (d) 利息收入乃按應計基準使用實際利息法計算，須採用能把金融工具預期期限下估計未來現金收入折算至金融資產賬面淨值的利率；及
- (e) 租金收入於租期內按時間比例確認。

**僱員福利****基於股份支付**

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。本集團僱員(包括董事)以基於股份支付的方式收取報酬，而僱員則提供服務以權益性工具作為代價(「權益結算交易」)。

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

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.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**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:

- (a) 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;
- (b) income from the provisions of film processing and photo finishing services, when the services have been rendered;
- (c) subsidies from a supplier, when the right to receive payment has been established;
- (d) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset; and
- (e) rental income, on a time proportion basis over the lease terms.

**Employee benefits****Share-based payment transactions**

The Company operates share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

**3. 主要會計政策撮要 (續)****僱員福利 (續)****基於股份支付 (續)**

與僱員的權益結算交易的成本以權益性工具授予日的公平價值計算。公平價值按柏力克－舒爾斯期權定價模式確定。在評估權益結算交易時，如適用，除與本公司股價相聯繫的條件（「市場情況」）外，並不考慮任何績效條件。

權益結算交易的成本，在績效和／或服務條件得到履行的期間內分期確認，直至相關僱員完全可享有該報酬的那天（「歸屬日」），並相應記錄權益的增加。在授予日之前的每一結算日對於權益結算交易所確認的累計費用，反映了授予期屆滿的程度和本集團對於最終將授予的權益性工具數量的最佳估計。當期損益賬借記或貸記的金額代表了當期期初和期末所確認的累計費用的變動。

除報酬以市場情況為授予條件外，對於最終沒有授予的報酬並不確認為費用。而對於授予條件為市場情況的報酬，在所有其他的績效條件都符合的情況下，不管市場情況是否符合，都視作已授予。

倘權益結算獎勵之條款被修訂，將確認最低限額開支猶如條款未經修訂。此外，任何增加基於股權支付安排公平價值總額或於修訂日期計量對僱員有利之任何修訂均予確認開支。

倘權益結算獎勵被取消，將視之為於取消日期已歸屬，該獎勵任何尚未確認之開支即時予以確認。然而，倘被取消獎勵由新獎勵所取代，亦於授出日期指定為替代獎勵，則被取消獎勵和新獎勵均視為猶如原有獎勵之修訂（誠如前一段所述）。

尚未行使購股權之攤薄效力於計算每股盈利時反映為額外股份攤薄。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***Employee benefits (Continued)****Share-based payment transactions (Continued)**

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company (“market conditions”), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the “vesting date”). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

**3. 主要會計政策撮要 (續)****僱員福利 (續)****基於股份支付 (續)**

本集團已採納香港財務報告準則第2號有關權益結算獎勵之過渡性條文，並僅將香港財務報告準則第2號應用於2002年11月7日以後授出但於2005年4月1日仍未歸屬以及該等於2005年4月1日或以後授出之權益結算獎勵。

**有薪假期結轉**

本集團根據僱傭合約按曆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。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***Employee benefits (Continued)****Share-based payment transactions (Continued)**

The Group has adopted the transitional provisions of HKFRS 2 in respect of equity-settled awards and has applied HKFRS 2 only to equity-settled awards granted after 7 November 2002 that had not vested on 1 April 2005 and to those granted on or after 1 April 2005.

***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 services to the Group to the balance sheet date.

**3. 主要會計政策撮要 (續)****僱員福利 (續)****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退休福利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。本集團對兩個計劃之僱主供款於對兩個計劃供款時已全數歸於僱員，惟本集團根據職業退休計劃之條款對職業退休計劃作出之自願性僱主供款，倘有關僱員在全數收歸前離職，則退回本集團所有。

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賬扣除。

**外幣**

財務報表以本公司功能及呈報貨幣港幣呈報。本集團內各實體自行決定其功能貨幣，其財務報表項目均以所定功能貨幣計量。外幣交易按交易日有關功能貨幣之匯率換算入賬。於結算日以外幣為單位之貨幣資產及負債按該日之適用匯率折算，匯兌差額撥入損益賬內。按歷史成本列賬、以外幣為單位之非貨幣項目，採用初步交易日期之匯率換算。按公平價值列賬、以外幣為單位之非貨幣項目，採用釐定公平價值日期之匯率換算。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***Employee benefits (Continued)****Pension schemes**

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance and a defined contribution occupational retirement scheme (the "ORSO scheme") under the Occupational Retirement Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the schemes. The assets of both schemes are held separately from those of the Group in independently administered funds. The Group's employer contributions to both schemes vest fully with the employees when contributed into the schemes, except for the Group's employer voluntary contributions to the ORSO scheme which are refunded to the Group when an employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the ORSO scheme.

The employees of the Group's subsidiaries which operate in Mainland China 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 payroll costs to the central pension scheme. The contributions are charged to the income statement as they become payable in accordance with the rules of the central pension scheme.

**Foreign currencies**

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

**3. 主要會計政策撮要 (續)****外幣 (續)**

本集團若干香港境外附屬公司及聯營公司之功能貨幣並非港幣。於結算日時，有關實體之資產與負債，按結算日之適用匯率換算為本公司呈報貨幣，彼等之損益賬則按年內之加權平均匯率換算為港幣。因此而產生之匯兌差額於匯率變動儲備內不同部份列賬。

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換算為港幣。香港境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換算為港幣。

**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。

**4. 重大會計判斷及估計****判斷**

於應用本集團會計政策過程中，除涉及估計者外，管理層已作出下列判斷，該些判斷對財務報告內確認之數額具有非常重大影響：

- (i) *經營租約承擔 – 本集團作為出租人*  
本集團就其投資物業組合訂立商業物業租賃，並決定保留按經營租約出租之物業擁有權之所有重大風險及回報。

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***(Continued)***Foreign currencies (Continued)**

The functional currencies of certain subsidiaries outside Hong Kong and the associate of the Group are currencies other than the Hong Kong dollar. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the balance sheet date and, their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are included in a separate component of the exchange fluctuation reserve.

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 subsidiaries outside Hong Kong which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

**Dividends**

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity 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 bye-laws grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

**4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES****Judgements**

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

- (i) *Operating lease commitments – Group as lessor*  
The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.



**4. 重大會計判斷及估計 (續)****判斷 (續)****(ii) 投資物業與自用物業之區別**

本集團釐定一項物業是否符合資格為投資物業，並制定判斷標準。投資物業乃持有作賺取租金或資本升值用途或兼有兩種用途之物業，故本集團會考慮該物業所產生之現金流量是否基本不受集團所持其他資產影響。

若干物業部份持有作賺取租金或資本升值用途，另一部份則持有作生產或提供貨品或服務或作行政用途。倘各部份可分開出售(或根據一項融資租賃分開出租)，本集團之賬目須就各部份分開入賬。倘各部份不可分開出售，則僅在持有作生產或提供貨品或服務或作行政用途之部份為微不足道的情況下，該物業會入賬列作投資物業。

本集團須判斷配套服務所佔比例是否較高以致有關物業不符合投資物業要求。在作出判斷時，本集團須考慮每項物業之個別情況。

**(iii) 資產減值**

釐定資產有否出現減值或過往導致資產減值之情況是否不再存在時，本集團須作出判斷，特別是評估(1)有否出現可能影響資產價值之事件或影響資產價值之該等事件並不存在；(2)資產賬面值是否獲得日後現金流量現值淨額支持，而日後現金流量按持續使用資產評估或取消確認；及(3)編製現金流量預測所用合適主要假設包括現金流量預測是否以合適比率折算。變更管理層所選假設以決定減值水平包括現金流量預測所用折算率或增長率，對減值檢測所用現值淨額或有重大影響。

**4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)****Judgements (Continued)****(ii) Classification between investment properties and owner-occupied properties**

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under finance leases), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

**(iii) Impairment of assets**

The Group has to exercise judgement in determining whether an asset is impaired or the event previously causing the asset impairment no longer exists, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could material affect the net present value used in the impairment test.



**4. 重大會計判斷及估計 (續)****估計不明朗因素**

有關未來之主要假設，及於結算日估計不明朗因素之其他主要來源之討論見下文所述，兩者均對下個財政年度為資產及負債之賬面值作出重大調整具有重大風險。

**(i) 金融資產或商譽減值**

本集團至少每年釐定金融資產或商譽是否減值。進行釐定時須對已獲分配金融資產或商譽之現金產生單位之使用價值作出估計。估計使用價值要求本集團對來自現金產生單位之預期未來現金流量作出估計，亦要選擇合適折現率計算該等現金流量之現值。倘估計之未來現金流量及／或採用之折現率發生變動，則須調整先前計提之估計減值撥備。於2006年3月31日，商譽之賬面值為港幣35,878,000元(2005年：港幣35,878,000港元)。商譽減值測試之進一步詳情載於財務報表附註17。

**(ii) 有關遞延稅項資產可變現性之估計**

估計因稅項虧損產生之遞延稅項資產之金額及因呆壞賬及存貨撥備產生之不可扣稅暫時差額時，需要經過涉及就稅項、預測來年應課稅收入及評估本集團透過未來盈利動用稅項利益之能力釐定適當撥備之過程。倘產生之實際未來溢利低於預期，可能產生遞延稅項資產之大幅撥回，撥回將於該等撥回發生期間之損益賬中確認。倘現有財務模式表明稅項虧損可於未來動用，任何假設、估計及稅務規例之變動可能影響該遞延稅項資產之可收回性。本集團未動用稅項虧損之詳情載於財務報表附註27。

**4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)****Estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, 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) Impairment of financial assets or goodwill**

The Group determines whether a financial asset or goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the financial asset or goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the financial asset or cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. A change in the estimated future cash flows and/or the discount rate applied will result in an adjustment to the estimated impairment provision previously made. The carrying amount of goodwill at 31 March 2006 was HK\$35,878,000 (2005: HK\$35,878,000). More details of impairment testing of goodwill are set out in note 17 to the financial statements.

**(ii) Estimates regarding the realisability of deferred tax assets**

Estimating the amount for deferred tax assets arising from tax losses, and deductible temporary differences arising from provisions for bad and doubtful debts and inventories requires a process that involves determining appropriate provisions for taxation, forecasting future years' taxable income and assessing the ability to utilise tax benefits through future taxable profits. In cases where the actual future profits generated are less than expected, a material reversal of the deferred tax assets may arise, which would be recognised in the income statement for the period in which such a reversal takes place. While the current financial models indicate that the tax losses recognised can be utilised in the future, any changes in assumptions and estimates and in tax regulations can affect the recoverability of these deferred tax assets. Details of the unrecognised tax losses of the Group are set out in note 27 to the financial statements.

**4. 重大會計判斷及估計 (續)****估計不明朗因素 (續)***(iii) 投資物業公平值之估計*

公平值之最佳憑證為同類租約及其他合約於活躍市場之最新價格。倘缺乏此方面資料，本集團會考慮多方面資料，其中包括(i)參考獨立估值意見；(ii)不同性質、狀況或地點(或受不同租約或其他合約規限)物業當時在活躍市場之最新價格(須就各項差異作出調整)；(iii)活躍程度稍遜之市場所提供同類物業最近期價格(須按自有關價格成交當日以來經濟狀況出現之任何變化作出調整)；及(iv)根據未來現金流量所作可靠估計而預測之折讓現金流量，此項預測源自任何現有租約與其他合約之條款及(指在可能情況下)外在因素(如地點及狀況相同之類似物業最新市場租值)，並採用足以反映當時無法肯定有關現金流量金額及時間之折讓率計算。

支持本集團所作公平值估計之主要假設涉及地點及狀況相同之類似物業最新市場租值、適當之折讓率、預計未來市場租值及未來保養費用。

**5. 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(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；

**4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)****Estimation uncertainty (Continued)***(iii) Estimation of fair value of investment properties*

The best evidence of fair value is current prices in an active market for similar lease terms and other contracts. In the absence of such information, the Group considers information from a variety of sources, including (i) by reference to independent valuations; (ii) current prices in an active market for properties of a different nature, condition and location (or subject to different leases or other contracts), adjusted to reflect those differences; (iii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of transactions that occurred at those prices; and (iv) discounted cash flow projections, based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts, and (where possible) from external evidence such as current market rates for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of cash flows.

The principal assumptions for the Group's estimation of the fair value include those related to current market rents for similar properties in the same location and condition, appropriate discount rates, expected future market rents and future maintenance costs.

**5. 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 and printing products;

5. 分類資料 (續)

- (b) 零售業務，透過零售門市提供菲林沖曬；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，連同企業收支項目。

確定本集團之地區分類時，收益乃按客戶所在地分類，資產則按資產所在地分類。

部門間之銷售及轉讓按成本值加上約百分之十八之附加值計算。

(a) 分類業務

下表詳列本集團截至2006年及2005年3月31日止年度分類業務之現有收益、溢利／(虧損)及若干資產、負債及開支之資料。

5. SEGMENT INFORMATION (Continued)

- (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 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 18%.

(a) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 March 2006 and 2005.

Group 集團		Wholesale segment 批發業務		Retail segment 零售業務		Corporate and Other 企業及其他		Eliminations 註銷		Consolidated 綜合	
		2006	2005	2006	2005	2006	2005	2006	2005	2006	2005
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
分類收益：	Segment revenue:										
外界客戶之銷售及服務收入	Sales to external customers and service income	1,070,916	1,036,370	179,679	196,458	-	-	-	-	1,250,595	1,232,828
部門間之銷售額	Intersegment sales	48,317	96,381	-	-	-	-	(48,317)	(96,381)	-	-
其他收益	Other revenue	6,326	14,098	1,052	3	2,506	1,876	-	-	9,884	15,977
		1,125,559	1,146,849	180,731	196,461	2,506	1,876	(48,317)	(96,381)	1,260,479	1,248,805
未分配利息收入	Unallocated interest income									14,666	5,432
收益總額	Total revenue									1,275,145	1,254,237
分類業績	Segment results	106,002	41,526	3,010	818	(4,206)	(2,866)	-	-	104,806	39,478
未分配利息收入	Unallocated interest income									14,666	5,432
應佔聯營公司溢利	Share of profit of an associate	1,027	-	-	-	-	-	-	-	1,027	-
除稅前溢利	Profit before tax									120,499	44,910
稅項	Tax									100	195
本年度溢利	Profit for the year									120,599	45,105

5. 分類資料 (續)

(a) 分類業務 (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	
		2006	2005	2006	2005	2006	2005	2006	2005
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
分類資產	Segment assets	<b>376,650</b>	428,531	<b>156,164</b>	176,080	<b>55,219</b>	53,788	<b>588,033</b>	658,399
於聯營公司之權益	Interest in an associate	<b>9,607</b>	8,580	-	-	-	-	<b>9,607</b>	8,580
未分配資產	Unallocated assets							<b>522,523</b>	465,035
總資產	Total assets							<b>1,120,163</b>	1,132,014
分類負債	Segment liabilities	<b>94,446</b>	76,681	<b>27,638</b>	42,694	<b>13,244</b>	7,962	<b>135,328</b>	127,337
未分配負債	Unallocated liabilities							<b>9,177</b>	4,541
總負債	Total liabilities							<b>144,505</b>	131,878
其他分類資料：	Other segment information:								
折舊、確認預付土地 租金及商譽攤銷	Depreciation, recognition of prepaid land lease payments and amortisation of goodwill	<b>5,686</b>	5,294	<b>13,890</b>	20,016	<b>2,606</b>	2,386	<b>22,182</b>	27,696
物業、廠房及 設備減值虧損	Impairment losses on items of property, plant and equipment	-	-	-	1,989	-	-	-	1,989
資本開支	Capital expenditure	<b>2,154</b>	2	<b>5,254</b>	14,571	<b>34</b>	390	<b>7,442</b>	14,963
重估於股權直接確認 入賬投資物業之虧蝕	Deficit on revaluation of investment properties recognised directly in equity	-	-	-	-	-	50	-	50
投資物業公平值變動	Changes in fair value of investment properties	-	-	-	-	<b>900</b>	-	<b>900</b>	-
呆壞賬撥備	Provision for bad and doubtful debts	<b>578</b>	53,201	-	-	-	-	<b>578</b>	53,201
存貨撥備/(回撥)	Provision/(reversal of provision) for inventories	<b>4,865</b>	(6,434)	<b>(336)</b>	-	-	-	<b>4,529</b>	(6,434)
其他應收款項撥備	Provision for other receivables	-	310	-	-	-	-	-	310

5. 分類資料 (續)

(b) 地區分類

下表詳列本集團截至2006年及2005年3月31日止年度地區業務之現有收益、若干資產及開支之資料。

Group 集團		Hong Kong 香港		Mainland China 中國內地		Consolidated 綜合	
		2006	2005	2006	2005	2006	2005
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
分類收益：	Segment revenue:						
外界客戶之銷售及服務收入	Sales to external customers and service income	1,036,597	990,470	213,998	242,358	1,250,595	1,232,828
其他分類資料：	Other segment information:						
分類資產	Segment assets	906,491	939,144	213,672	192,870	1,120,163	1,132,014
資本開支	Capital expenditure	7,180	14,667	262	296	7,442	14,963

6. 收益及其他收入

收益亦即本集團之營業額，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。

收益及其他收入之分析如下：

5. SEGMENT INFORMATION (Continued)

(b) Geographical segments

The following table presents revenue and certain asset and expenditure information for the Group's geographical segments for the years ended 31 March 2006 and 2005.

6. REVENUE AND OTHER INCOME

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts; and the income from the rendering of film processing and photo finishing services.

An analysis of revenue and other income is as follows:

		Group 集團	
		2006 HK\$'000	2005 HK\$'000
收益：	Revenue:		
產品銷售	Sale of goods	1,123,222	1,100,182
沖印服務收入	Income from the rendering of film processing and photo finishing services	127,373	132,646
		1,250,595	1,232,828
其他收入：	Other income:		
利息收入	Interest income	14,666	5,432
租金收入總值(附註7)	Gross rental income (note 7)	2,506	1,841
供應商之津貼	Subsidies received from a supplier	5,265	12,196
其他	Others	2,113	1,940
		24,550	21,409

7. 除稅前溢利

本集團除稅前溢利已扣除／(計入)：

7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/  
(crediting):

		Group 集團	
		2006	2005
		HK\$'000	HK\$'000
		Notes 附註	
銷售存貨成本	Cost of inventories sold		923,603
提供服務成本	Cost of services rendered		70,156
核數師酬金	Auditors' remuneration		1,400
折舊	Depreciation	14	24,809
確認預付土地租金	Recognition of prepaid land lease payments	16	690
商譽攤銷*	Amortisation of goodwill*	17	2,197
土地及樓宇之 最低經營租約租金	Minimum lease payments under operating leases on land and buildings		38,781
出售物業、廠房及 設備項目虧損**	Loss on disposal of items of property, plant and equipment**		1,550
存貨撥備／ (回撥)***	Provision/(reversal of provision) for inventories***		(6,434)
呆壞賬撥備**	Provision for bad and doubtful debts**		53,201
物業、廠房及設備項目 減值虧損**	Impairment losses on items of property, plant and equipment**	14	1,989
投資物業公平值變動**	Changes in fair value of investment properties**	15	-
其他應收款項撥備**	Provision for other receivables**		310
僱員福利開支 (包括附註8所載 之董事酬金)	Employee benefits expense (including directors' remuneration as set out in note 8)		
工資及薪金	Wages and salaries		71,905
退休金計劃供款	Pension scheme contributions		2,360
減：被沒收之供款****	Less: Forfeited contributions****		(182)
退休金計劃供款淨額	Net pension scheme contributions		2,178
			<b>75,406</b>
租金收入總值	Gross rental income	6	(1,841)
賺取租金之投資物業 產生之直接開支 (包括維修及保養)	Direct expenses (including repairs and maintenance) arising on rental-earning investment properties		102
租金收入淨值	Net rental income		(2,123)
匯兌差額，淨額	Foreign exchange differences, net		178

\* 該等項目已於綜合損益賬「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2006年3月31日本集團並無減低未來退休金計劃供款之已沒收退休金計劃供款(2005年：無)。

\* Included in "Administrative expenses" on the face of the consolidated income statement.

\*\* Included in "Other operating expenses" on the face of the consolidated income statement.

\*\*\* Included in "Cost of sales" on the face of the consolidated income statement.

\*\*\*\* As at 31 March 2006, the Group had no forfeited contributions available to reduce contributions to the pension schemes in future years (2005: Nil).



**8. 董事酬金**

年內根據香港聯合交易所有限公司主板證券上市規則（「上市規則」）及香港公司條例第161條披露之董事酬金如下：

**8. DIRECTORS' REMUNERATION**

Directors' remuneration for the year, disclosed pursuant to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Section 161 of the Hong Kong Companies Ordinance, is as follows:

		Group 集團	
		2006 HK\$'000	2005 HK\$'000
袍金	Fees	760	607
其他酬金：	Other emoluments:		
薪金及津貼	Salaries and allowances	4,825	4,571
非強制性花紅	Discretionary bonuses	750	198
退休金計劃供款	Pension scheme contributions	36	36
		<b>6,371</b>	<b>5,412</b>

**(a) 獨立非執行董事**

年內支付予獨立非執行董事之袍金如下：

**(a) Independent non-executive directors**

The fees paid to independent non-executive directors during the year were as follows:

		2006 HK\$'000	2005 HK\$'000
區文中	Au Man Chung Malcolm	110	80
黃子欣	Wong Chi Yun Allan	90	80
李家暉	Li Ka Fai David	120	47
劉暉	Liu Hui Allan	-	80
張昀	Chiang Yun Rachel	-	80
		<b>320</b>	<b>367</b>

年內並無其他應付予獨立非執行董事之酬金（2005年：無）。

There were no other emoluments payable to the independent non-executive directors during the year (2005: Nil).

8. 董事酬金 (續)

(b) 執行董事及非執行董事

8. DIRECTORS' REMUNERATION (Continued)

(b) Executive directors and non-executive directors

		Fees	Salaries and allowances	Discretionary bonuses	Pension scheme contributions	Total remuneration
		袍金	薪金及津貼	非強制性花紅	退休金計劃供款	酬金總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>2006</b>	<b>2006</b>					
執行董事：	Executive directors:					
孫大倫	Sun Tai Lun Dennis	90	2,905	384	12	3,391
吳玉華	Ng Yuk Wah Eileen	80	960	166	12	1,218
鄧國棠	Tang Kwok Tong Simon	80	960	200	12	1,252
		250	4,825	750	36	5,861
非執行董事：	Non-executive directors:					
劉暉	Liu Hui Allan	90	–	–	–	90
張昀	Chiang Yun Rachel	90	–	–	–	90
		430	4,825	750	36	6,041
<b>2005</b>	<b>2005</b>					
執行董事：	Executive directors:					
孫大倫	Sun Tai Lun Dennis	80	2,873	118	12	3,083
吳玉華	Ng Yuk Wah Eileen	80	800	40	12	932
鄧國棠	Tang Kwok Tong Simon	80	898	40	12	1,030
		240	4,571	198	36	5,045

截至2005年及2006年3月31日止年度，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 years ended 31 March 2005 and 2006.

**9. 5位最高薪酬僱員**

年內5位最高薪人士包括3位(2005年:3位)董事,其薪酬已在上文附註8披露。年內其餘2位非董事及最高薪酬僱員酬金(2005年:2位)之詳情如下:

**9. FIVE HIGHEST PAID EMPLOYEES**

The five highest paid employees during the year included three (2005: three) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining two (2005: two) non-director, highest paid employees for the year are set out below:

		Group 集團	
		2006 HK\$'000	2005 HK\$'000
薪金及津貼	Salaries and allowances	1,596	1,731
退休金計劃供款	Pension scheme contributions	24	24
		<b>1,620</b>	<b>1,755</b>

酬金收入在下列範圍之非董事及最高薪酬僱員人數:

The number of non-director, highest paid employees whose remuneration fell within the following band is as follows:

		Number of employees 僱員人數	
		2006	2005
無 - 港幣 1,000,000元	Nil to HK\$1,000,000	2	2

**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17.5%(2005年:17.5%)作提撥準備。中華人民共和國(「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% (2005: 17.5%) on the estimated assessable profits arising in Hong Kong during the year, after offsetting certain amounts of tax losses carried forward by certain subsidiaries of the Group. Taxes on profits assessable in the People's Republic of China (the "PRC") have been calculated at the rates of tax prevailing in Mainland China, based on existing legislation, interpretations and practices in respect thereof.

		Group 集團	
		2006 HK\$'000	2005 HK\$'000
集團:	Group:		
本年 - 香港	Current - Hong Kong		
年內計提	Charge for the year	7,191	4,009
往年超額撥備	Overprovision in prior years	(1,722)	(485)
本年 - 中國內地	Current - Mainland China	238	106
		<b>5,707</b>	<b>3,630</b>
遞延稅項(附註27)	Deferred (note 27)	(5,807)	(3,825)
年內稅項抵免	Total tax credit for the year	(100)	(195)

10. 稅項 (續)

使用本公司及其附屬公司經營所在國家之法定稅率計算之除稅前溢利／(虧損)之適用稅項開支／(抵免)，與按實際稅率計算之稅項開支／(抵免)之對賬，以及法定稅率與實際稅率之對賬如下：

Group – 2006

集團 – 2006年

10. TAX (Continued)

A reconciliation of the tax expense/(credit) applicable to profit/(loss) before tax using the statutory rates for the locations in which the Company and its subsidiaries are domiciled to the tax charge/(credit) at the effective tax rates is as follows:

		Hong Kong 香港 HK\$'000	Mainland China 中國內地 HK\$'000	Total 總計 HK\$'000
除稅前溢利／(虧損)	Profit/(loss) before tax	<b>129,076</b>	<b>(8,577)</b>	<b>120,499</b>
法定稅率	Statutory tax rate	<b>17.5%</b>	<b>33%</b>	
按法定稅率計算之稅項	Tax at the statutory tax rate	<b>22,588</b>	<b>(2,830)</b>	<b>19,758</b>
就過往年度當期稅項之調整	Adjustments in respect of current tax of previous periods	<b>(1,722)</b>	–	<b>(1,722)</b>
就過往年度遞延稅項之調整	Adjustments in respect of deferred tax of previous periods	<b>(5,944)</b>	<b>1,405</b>	<b>(4,539)</b>
聯營公司應佔溢利	Profits attributable to an associate	–	<b>(339)</b>	<b>(339)</b>
免繳稅收入	Income not subject to tax	<b>(2,956)</b>	<b>(44)</b>	<b>(3,000)</b>
不可扣稅支出	Expenses not deductible for tax	<b>393</b>	<b>3,450</b>	<b>3,843</b>
抵銷過往年度產生之稅務虧損	Tax losses utilised from previous periods	<b>(14,101)</b>	–	<b>(14,101)</b>
按本集團實際稅率計算之稅項支出／(抵免)	Tax charge/(credit) at the Group's effective rate	<b>(1,742)</b>	<b>1,642</b>	<b>(100)</b>

10. 稅項 (續)

10. TAX (Continued)

Group – 2005

集團 – 2005年

		Hong Kong 香港 HK\$'000	Mainland China 中國內地 HK\$'000	Total 總計 HK\$'000
除稅前溢利／(虧損)	Profit/(loss) before tax	58,439	(13,529)	44,910
法定稅率	Statutory tax rate	17.5%	33%	
按法定稅率計算之稅項	Tax at the statutory tax rate	10,227	(4,465)	5,762
就過往年度當期稅項之調整	Adjustments in respect of current tax			
	of previous periods	(485)	–	(485)
就過往年度遞延稅項之調整	Adjustments in respect of deferred tax			
	of previous periods	(3,221)	–	(3,221)
免繳稅收入	Income not subject to tax	(1,054)	–	(1,054)
不可扣稅支出	Expenses not deductible for tax	1,421	4,720	6,141
抵銷過往年度產生 之稅務虧損	Tax losses utilised from previous periods	(16,364)	(1,435)	(17,799)
未確認之稅項虧損	Tax losses not recognised	–	285	285
未確認遞延稅項資產	Deferred tax assets not recognised	9,175	1,001	10,176
按本集團實際稅率計算 之稅項支出／(抵免)	Tax charge/(credit) at the Group's effective rate	(301)	106	(195)

11. 本公司股權持有人應佔正常業務之溢利淨額

本公司財務報表內，截至2006年3月31日止年度內所處理之母公司股權持有人應佔正常業務之溢利淨額為港幣73,159,000元(2005年：港幣126,899,000元)(附註30(b))。

11. NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The net profit from ordinary activities attributable to equity holders of the company for the year ended 31 March 2006 dealt with in the financial statements of the Company was HK\$73,159,000 (2005: HK\$126,899,000) (note 30(b)).

12. 股息

12. DIVIDENDS

		2006 HK\$'000	2005 HK\$'000
中期 – 每股普通股港幣2.2仙 (2005年：港幣1仙)	Interim – HK2.2 cents (2005: HK1 cent) per ordinary share	<b>25,604</b>	11,638
擬派末期 – 每股普通股 港幣4.2仙 (2005年：港幣2仙)	Proposed final – HK4.2 cents (2005: HK2 cents) per ordinary share	<b>48,881</b>	23,277
擬派末期特別 – 每股普通股無 (2005年：港幣8仙)	Proposed final special – Nil (2005: HK8 cents) per ordinary share	–	93,106
		<b>74,485</b>	128,021

中期股息每股港幣2.2仙(2005年：港幣1仙)已於2006年2月22日派發。董事會建議派發末期股息每股普通股港幣4.2仙。派發本年度末期股息之提議須待本公司股東於2006年8月18日召開之應屆股東週年大會上批准後，方可作實。一經批准，股息將於2006年8月30日派發。

An interim dividend of HK2.2 cents per share (2005: HK1 cent per share) was paid on 22 February 2006. The directors recommend the payment of a final dividend of HK4.2 cent per ordinary share. The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting on 18 August 2006 and the dividend will be payable on 30 August 2006 upon approval.

13. 本公司普通股股權持有人應佔每股盈利

13. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

(a) 每股基本盈利

(a) Basic earnings per share

每股基本盈利是根據以下項目計算：

The calculation of basic earnings per share is based on:

		2006 HK\$'000	2005 HK\$'000
<i>盈利</i>	<i>Earnings</i>		
本公司普通股股權持有人 應佔純利	Net profit attributable to ordinary equity holders of the Company	<b>120,496,000</b>	45,345,000
<i>股份</i>	<i>Shares</i>		
年內已發行普通股 加權平均數	Weighted average number of ordinary shares in issue during the year	<b>1,163,828,377</b>	1,163,828,377

(b) 每股攤薄盈利

(b) Diluted earnings per share

於截至2006年3月31日止年度內概無存在具攤薄影響之事件。於截至2005年3月31日止年度內，所有原根據本公司舊購股權計劃授出之購股權均已於行使期屆滿後失效。購股權之行使價較本公司普通股於年內之平均市價為高。因此，年內並無股份因未行使之購股權視作被行使而被假設以無作價發行，故本公司並無披露截至2006年及2005年3月31日止年度之每股攤薄盈利賬目。

There was no diluting event that existed during the year ended 31 March 2006. During the year ended 31 March 2005, all share options originally granted under the share option scheme of the Company lapsed subsequent to the expiry of the exercise period. The exercise price of share options was higher than the average market price of the Company's ordinary share during that year. Accordingly, no shares were assumed to have been issued at nil consideration on deemed exercise of the share options outstanding during that year. Accordingly, diluted earnings per share amounts for the years ended 31 March 2006 and 2005 have not been disclosed.



14. 物業、廠房及設備

14. PROPERTY, PLANT AND EQUIPMENT

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>2006年3月31日</b>	<b>31 March 2006</b>					
於2005年4月1日：	At 1 April 2005:					
成本	Cost	119,994	68,558	116,270	8,291	313,113
累計折舊及減值	Accumulated depreciation and impairment	(53,026)	(60,110)	(75,848)	(7,823)	(196,807)
賬面淨值，經重列	Net carrying amount, as restated	66,968	8,448	40,422	468	116,306
於2005年4月1日， 扣除累計折舊及 減值，經重列	At 1 April 2005, net of accumulated depreciation and impairment, as restated	66,968	8,448	40,422	468	116,306
增加	Additions	–	5,512	38	1,892	7,442
出售	Disposals	–	(737)	(4,577)	(69)	(5,383)
年內折舊撥備	Depreciation provided during the year	(5,428)	(6,919)	(8,772)	(373)	(21,492)
匯兌調整	Exchange realignment	789	64	450	–	1,303
於2006年3月31日， 扣除累計折舊	At 31 March 2006, net of accumulated depreciation	62,329	6,368	27,561	1,918	98,176
於2006年3月31日：	At 31 March 2006:					
成本	Cost	121,400	71,085	110,438	8,860	311,783
累計折舊及減值	Accumulated depreciation and impairment	(59,071)	(64,717)	(82,877)	(6,942)	(213,607)
賬面淨值	Net carrying amount	62,329	6,368	27,561	1,918	98,176

14. 物業、廠房及設備 (續)

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Group 集團		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 (Restated) (重列)	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 (Restated) (重列)
<b>2005年3月31日</b>	<b>31 March 2005</b>					
於2004年4月1日：	At 1 April 2004:					
成本	Cost	119,994	77,114	119,790	8,617	325,515
累計折舊及減值	Accumulated depreciation and impairment	(47,666)	(66,611)	(70,188)	(7,380)	(191,845)
賬面淨值	Net carrying amount	72,328	10,503	49,602	1,237	133,670
於2004年4月1日， 扣除累計折舊及減值	At 1 April 2004, net of accumulated depreciation and impairment	72,328	10,503	49,602	1,237	133,670
增加	Additions	-	6,915	8,048	-	14,963
出售	Disposals	-	(408)	(5,121)	-	(5,529)
年內折舊撥備	Depreciation provided during the year	(5,360)	(8,562)	(10,118)	(769)	(24,809)
減值虧損	Impairment losses	-	-	(1,989)	-	(1,989)
於2005年3月31日， 扣除累計折舊及減值	At 31 March 2005, net of accumulated depreciation and impairment	66,968	8,448	40,422	468	116,306
於2005年3月31日：	At 31 March 2005:					
成本	Cost	119,994	68,558	116,270	8,291	313,113
累計折舊及減值	Accumulated depreciation and impairment	(53,026)	(60,110)	(75,848)	(7,823)	(196,807)
賬面淨值	Net carrying amount	66,968	8,448	40,422	468	116,306

於2006年3月31日，位於中國內地之租賃土地及樓宇乃列入本集團總成本港幣119,994,000元之租賃土地及樓宇，總成本為港幣80,277,000元（2005年：港幣78,871,000元），其中港幣39,640,000元（2005年：港幣38,925,000元）及港幣40,637,000元（2005年：港幣39,946,000元）分別為長期及中期租約。由於有關預付土地租金不能可靠地於土地及樓宇之間作出分配，全部租金乃包括在租賃土地及樓宇之成本內，根據香港會計準則第17號之條文，成為物業、廠房及設備之融資租賃。

Included in the Group's leasehold land and buildings with a total cost of HK\$119,994,000 are leasehold land and buildings situated in Mainland China with an aggregate cost of HK\$80,277,000 (2005: HK\$78,871,000) as at 31 March 2006, of which HK\$39,640,000 (2005: HK\$38,925,000) and HK\$40,637,000 (2005: HK\$39,946,000) are under long term leases and medium term leases, respectively. As the related prepaid land lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payment is included in the cost of leasehold land and buildings as a finance lease in property, plant and equipment in accordance with the provision of HKAS 17.

14. 物業、廠房及設備 (續)

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Company  
公司

		Furniture, fixtures and leasehold improvements 傢俬裝置及 租賃物業裝修 HK\$'000	Office equipment 公司設備 HK\$'000	Total 合計 HK\$'000
於2004年4月1日：	At 1 April 2004:			
成本	Cost	189	816	1,005
累計折舊	Accumulated depreciation	(47)	(231)	(278)
賬面淨值	Net carrying amount	142	585	727
於2004年4月1日， 扣除累計折舊	At 1 April 2004, net of accumulated depreciation	142	585	727
出售	Disposals	(142)	(585)	(727)
於2005年3月31日、 2005年4月1日及 2006年3月31日， 扣除累計折舊	At 31 March 2005, 1 April 2005 and 31 March 2006, net of accumulated depreciation	-	-	-
於2005年3月31日及 2006年3月31日：	At 31 March 2005 and 31 March 2006:			
成本	Cost	-	-	-
累計折舊	Accumulated depreciation	-	-	-
賬面淨值	Net carrying amount	-	-	-

15. 投資物業

15. INVESTMENT PROPERTIES

		Group 集團	
		2006 HK\$'000	2005 HK\$'000
年初之賬面值	Carrying amount at beginning of year	35,850	35,900
公平值調整之虧損淨額	Net loss from a fair value adjustment	(900)	-
重估於股權直接確認	Deficit on revaluation recognised directly in equity		
入賬之虧絀		-	(50)
匯兌調整	Exchange realignment	1,008	-
於3月31日之賬面值	Carrying amount at 31 March	35,958	35,850
集團之投資物業	The Group's investment properties are held		
按以下租約持有：	under the following lease terms:		
位於香港之中期	Medium term leases in Hong Kong		
租約物業		4,100	4,000
位於中國內地之	Medium term leases in Mainland China		
中期租約物業		31,858	31,850
於3月31日，按估值	At 31 March, at valuation	35,958	35,850

集團之投資物業由獨立執行合資格估價師衡量行(Chung, Chan & Associates)於2006年3月31日根據現時用途按公開市價基準進行重估。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32(a)。

有關集團投資物業之進一步詳情載於本年報第120頁。

The Group's investment properties were revalued on 31 March 2006 by Chung, Chan & Associates, independent professionally qualified valuers, on an open market, existing use basis. The investment properties are leased to third parties under operating leases, further summary details of which are included in note 32(a) to the financial statements.

Further particulars of the Group's investment properties are set out on page 120 of the annual report.

## 16. 預付土地租金

## 16. PREPAID LAND LEASE PAYMENTS

		Group 集團	
		2006 HK\$'000	2005 HK\$'000 (Restated) (重列)
年初之賬面值	Carrying amount at beginning of year		
如先前呈報	As previously reported	–	–
採納香港會計準則	Effect of adopting HKAS 17 (note 2.4)		
第17號之影響			
(附註2.4)		<b>10,489</b>	11,179
經重列	As restated	<b>10,489</b>	11,179
於年內確認	Recognised during the year	<b>(690)</b>	(690)
於3月31日之賬面值	Carrying amount at 31 March	<b>9,799</b>	10,489
列入預付款、按金及	Current portion included in prepayments,		
其他應收款項之	deposits and other receivables		
即期部分		<b>(690)</b>	(690)
非即期部分	Non-current portion	<b>9,109</b>	9,799

集團位於香港之租賃土地港幣7,839,000元(2005年：港幣8,407,000元)及位於中國內地之租賃土地港幣1,960,000元(2005年：港幣2,082,000元)乃分別以中期租約及長期租約持有。

The Group's leasehold land of HK\$7,839,000 (2005: HK\$8,407,000) and HK\$1,960,000 (2005: HK\$2,082,000) is held under medium term leases in Hong Kong and long term leases in Mainland China, respectively.

## 17. 商譽

## 17. GOODWILL

		Group 集團 HK\$'000
於2005年4月1日：	At 1 April 2005:	
成本，如先前呈報	Cost as previously reported	43,936
採納香港財務報告準則第3號 之影響(附註2.2(d))	Effect of adopting HKFRS 3 (note 2.2(d))	(8,058)
成本，經重列	Cost as restated	35,878
累計攤銷，如先前呈報	Accumulated amortisation as previously reported	8,058
採納香港財務報告準則第3號 之影響(附註2.2(d))	Effect of adopting HKFRS 3 (note 2.2(d))	(8,058)
累計攤銷，經重列	Accumulated amortisation as restated	-
賬面淨值	Net carrying amount	35,878
於2006年3月31日：	At 31 March 2006:	
成本及賬面淨值	Cost and net carrying amount	35,878
於2004年4月1日：	At 1 April 2004:	
成本	Cost	43,936
累計攤銷	Accumulated amortisation	(5,861)
賬面淨值	Net carrying amount	38,075
年內攤銷撥備	Amortisation provided during the year	(2,197)
於2005年3月31日	At 31 March 2005	35,878
於2005年3月31日：	At 31 March 2005:	
成本	Cost	43,936
累計攤銷	Accumulated amortisation	(8,058)
賬面淨值	Net carrying amount	35,878

於截至2005年3月31日止年度，集團商譽以直線法按估計可使用年期二十年攤銷。

During the year ended 31 March 2005, the Group's goodwill was amortised on the straight-line basis over its estimated useful life of twenty years.



**17. 商譽 (續)****商譽減值測試**

透過業務合併收購之商譽獲分配至零售業務現金產生單位(即呈報類別)進行減值測試。

零售業務現金產生單位之可收回金額乃按照使用價值計算而釐定，根據以公司管理層批准之三年期現金流量預測計算。現金流量預測適用之折現率為4%(2005年：4%)。

於2006年3月31日及2005年3月31日，零售業務現金產生單位之使用價值計算採用了主要假設。下文載述管理層就現金流量預測所依賴之各主要假設，藉以進行商譽減值測試：

預期毛利率—預期毛利率乃根據預算年度前之最近年度內已達到之平均毛利率及預期增長情況釐定。

折現率—折現率乃剔除納稅影響，並反應同現金產生單位相關之特定風險。

購買價格上漲—價格上漲之決定基準乃按購買存貨之預算年度之預測價格指標。主要假設之價值與外部資料來源相符一致。

**17. GOODWILL (Continued)****Impairment testing of goodwill**

Goodwill acquired through a business combination is allocated to the retail operation cash-generating unit, which is the reporting segment, for impairment testing.

The recoverable amount of the retail operation cash-generating unit has been determined based on a value in use calculation using cash flow projections approved by the Company's directors covering a period of three years. The discount rate applied to cash flow projections is 4% (2005: 4%).

Key assumptions were used in the value in use calculation of the retail operation cash-generating unit for 31 March 2006 and 31 March 2005. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

**Budgeted gross margins** – The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budgeted year, increased for expected efficiency improvements.

**Discount rates** – The discount rates used are before tax and reflect specific risks relating to the relevant units.

**Purchase price inflation** – The basis used to determine the value assigned to price inflation is the forecast price indices for the budgeted year from where inventories are sourced. The values assigned to key assumptions are consistent with external information sources.

18. 於附屬公司之權益

18. INTERESTS IN SUBSIDIARIES

		Company 公司	
		2006 HK\$'000	2005 HK\$'000
非上市股份，按原值	Unlisted shares, at cost	193,540	193,540
應收附屬公司之長期結餘	Long term balance due from a subsidiary	599,504	600,226
		<b>793,044</b>	793,766
應收附屬公司之短期結餘	Short term balance due from a subsidiary	48,881	116,383

應收附屬公司之長期結存為無抵押、免息且無須於結算日後未來12個月內償還。應收附屬公司之短期結存為無抵押、免息並須於要求時償還。應收附屬公司款項之賬面值與其公平值相若。

The long term balance due from a subsidiary is unsecured, interest-free and is not repayable within twelve months after the balance sheet date. The short term balance due from a subsidiary is unsecured, interest-free and repayable on demand. The carrying amounts of the amounts due from the subsidiaries approximate to their fair values.

本集團主要附屬公司資料如下：

Particulars of the principal subsidiaries are as follows:

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	
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/ Mainland China 英屬處女群島／ 中國內地	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

18. 於附屬公司之權益 (續)

18. INTERESTS IN SUBSIDIARIES (Continued)

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	
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
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	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\$2 普通 港幣2元	-	100	Marketing and distribution of photographic developing and processing products 推廣及經銷照相及 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1,000,000元	-	100	Marketing and distribution of photographic developing and processing products 推廣及經銷攝影及 沖印產品

18. 於附屬公司之權益 (續)

18. INTERESTS IN SUBSIDIARIES (Continued)

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	
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
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	Hong Kong 香港	Ordinary HK\$2 普通 港幣2元	-	100	Property holding 物業持有

18. 於附屬公司之權益 (續)

18. INTERESTS IN SUBSIDIARIES (Continued)

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	
中商中港(上海) 國際貿易有限公司*	PRC/Mainland China 中國／中國內地	Registered capital US\$300,000 註冊資本 300,000美元	–	100	Marketing and distribution of printing products in Mainland China 於中國推廣及 經銷沖印產品
Fuji Photo Products Trading (China) Co. Ltd*#	PRC/Mainland China 中國／中國內地	Registered capital RMB10,000,000 註冊資本 人民幣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

\* 該等附屬公司是以外商獨資企業根據中國法律註冊，並非由香港安永會計師事務所或安永國際成員公司核數。

# 該附屬公司於年內成立。

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本公司附屬公司。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。

\* These subsidiaries are registered as wholly-owned foreign enterprises under PRC law and are not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.

# This subsidiary was established during the year.

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.

19. 於聯營公司之權益

19. INTEREST IN AN ASSOCIATE

		Group 集團	
		2006 HK\$'000	2005 HK\$'000
應佔資產淨值	Share of net assets	<b>9,607</b>	8,580

聯營公司詳情如下：

Particulars of the associate are as follows:

Name	Nominal value of registered share capital	Place of registration	Percentage of ownership interest attributable to the Group 本集團應佔 擁有權益百分比	Principal activities
名稱	註冊股本面值	註冊及營運地點	擁有權益百分比	主要業務
Fujifilm Medical Systems (Shanghai) Co., Ltd.	US\$5,500,000 5,500,000美元	PRC 中國	20	Marketing and distribution of medical products 推廣醫療產品 及分銷

該聯營公司並非由香港安永會計師事務所或安永國際成員公司核數。

The associate is not audited by Ernst & Young Hong Kong or other Ernst & Young International member firms.

聯營公司之財務報表乃截至12月31日止財政年度，與本集團並不一致。聯營公司以3月31日作為報告日期，以符合本公司之報告日期。

The financial statements of the associate, which has a financial year end date of 31 December, are non-coterminous with those of the Group. The associate uses 31 March as its reporting date to conform with the Company's reporting date.

下表顯示本集團聯營公司之財務資料概要，乃摘錄自其管理賬目：

The following table illustrates the summarised financial information of the Group's associate extracted from its management accounts:

		2006 HK\$'000	2005 HK\$'000
資產	Assets	<b>85,329</b>	42,900
負債	Liabilities	<b>(37,296)</b>	-
收益	Revenues	<b>122,749</b>	-
溢利	Profit	<b>5,133</b>	-



**20. 存貨**

集團存貨主要為供轉售之照相沖印產品。

**21. 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30日內結賬，但部份長期顧客的賬期可延長至120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。鑑於本集團之應收賬項與多位不同客戶有關，並無重大集中信貸風險。

按逾期日計算，以下為扣除撥備後應收賬項及票據之賬齡分析：

		Group 集團	
		2006 HK\$'000	2005 HK\$'000
即期至3個月	Current to 3 months	80,311	94,274
4至6個月	4 to 6 months	4,128	298
7至9個月	7 to 9 months	357	1,308
9個月以上	Over 9 months	1,901	501
		<b>86,697</b>	96,381

本集團之應收賬項及票據為免息，其賬面值與公平值相若。

**22. 預付款、按金及其他應收款項及租賃按金**

本公司之其他應收款項及本集團之預付款、按金及其他應收款項及租賃按金為免息，且其賬面值與其公平值相若。

**20. INVENTORIES**

The Group's inventories principally consist of photographic developing, processing and printing products for resale.

**21. TRADE AND BILLS RECEIVABLES**

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally for a period of 30 days, except for certain well-established customers where the terms are extended to 120 days. Each customer has a maximum credit limit pre-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 reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

An aged analysis of the trade and bills receivables as at the balance sheet date, based on the payment due date and net of provision, is as follows:

The Group's trade and bills receivables are non-interest-bearing and their carrying amounts approximate to their fair values.

**22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES AND RENTAL DEPOSITS**

The Company's other receivables and the Group's prepayments, deposits and other receivables and rental deposits are non-interest-bearing and their carrying amounts approximate to their fair values.

## 23. 現金及現金等值項目

## 23. CASH AND CASH EQUIVALENTS

		Group 集團		Company 公司	
		2006 HK\$'000	2005 HK\$'000	2006 HK\$'000	2005 HK\$'000
現金及銀行結餘	Cash and bank balances	105,731	332,771	420	845
定期存款	Time deposits	550,474	262,784	-	-
		656,205	595,555	420	845
減：長期定期存款	Less: Long term time deposits	(38,785)	(54,579)	-	-
現金及現金等值項目	Cash and cash equivalents	617,420	540,976	420	845

於結算日，本集團以人民幣（「人民幣」）計值之現金及銀行結餘約港幣32,395,000元（2005年：約港幣26,919,000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。

存於銀行之現金根據銀行每日存款率賺取浮動利息。根據本集團對現金需求之急切性，短期定期存款由一日及一年以上不等，以分別賺取不同之短期定期利息。現金及現金等值項目及長期定期存款之賬面值與其公平值相若。

## 24. 應付賬項及票據

根據購買貨品及獲得服務之日期計算，應付賬項及票據之賬齡分析如下：

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to approximately HK\$32,395,000 (2005: approximately HK\$26,919,000). 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.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and over one year depending on the immediate cash requirements of the Group, and earn interest at the respective time deposit rates. The carrying amounts of the cash and cash equivalents and long term time deposits approximate to their fair values.

## 24. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables as at the balance sheet date, based on the date of goods purchased and services rendered, is as follows:

		Group 集團	
		2006 HK\$'000	2005 HK\$'000
即期至3個月	Current to 3 months	45,401	41,336
3個月以上	Over 3 months	4,435	4,873
		49,836	46,209

本集團之應付賬項及票據為免息，且通常須於30日期限內繳訖，其賬面值與公平值相若。

The Group's trade and bills payables are non-interest-bearing and are normally settled on 30-day terms, and their carrying amounts approximate to their fair values.

**25. 應計負債**

本公司及本集團之應計負債為免息，其賬面值與其公平值相若。

**25. ACCRUED LIABILITIES**

The Company's and Group's accrued liabilities are non-interest-bearing and their carrying amounts approximate to their fair values.

**26. 長期服務金撥備**

**26. PROVISION FOR LONG SERVICE PAYMENTS**

		Group 集團	
		2006 HK\$'000	2005 HK\$'000
於年初	At beginning of year	<b>2,195</b>	1,928
額外撥備	Additional provision	<b>615</b>	318
年內已動用金額	Amount utilised during the year	-	(51)
於3月31日	At 31 March	<b>2,810</b>	2,195

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。

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 services to the Group at the balance sheet date.

**27. 遞延稅項**

年內遞延稅項負債及資產變動如下：

**遞延稅項負債**

Group

本集團

**27. DEFERRED TAX**

The movements in deferred tax liabilities and assets during the year are as follows:

**Deferred tax liabilities**

		Accelerated tax depreciation 遞增之稅項折舊 HK\$'000	Losses available for offset against future taxable profits 可供抵銷未來 應課稅溢利之虧損 HK\$'000	Total 總計 HK\$'000
於2004年4月1日	At 1 April 2004	-	-	-
年內於損益賬扣除之 遞延稅項(附註10)	Deferred tax charged to the income statement during the year (note 10)	308	-	308
於2005年3月31日及2005年4月1日 之遞延稅項負債淨額	Net deferred tax liabilities at 31 March 2005 and at 1 April 2005	308	-	308
年內於損益賬扣除/(減免) 之遞延稅項(附註10)	Deferred tax charged/(credited) to the income statement during the year (note 10)	4,355	(2,575)	1,780
於2006年3月31日之遞延 稅項負債淨額	Net deferred tax liabilities at 31 March 2006	4,663	(2,575)	2,088

27. 遞延稅項 (續)

遞延稅項資產

Group

本集團

27. DEFERRED TAX (Continued)

Deferred tax assets

		Provision for inventories	Decelerated tax depreciation	Provision for bad and doubtful debts	Losses available for offset against future taxable profits	Total
		存貨撥備	遞減之稅項折舊	呆壞賬撥備	可供抵銷未來應課稅溢利之虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於2004年4月1日	At 1 April 2004	-	-	-	-	-
年內於損益賬減免之遞延稅項 (附註10)	Deferred tax credited to the income statement during the year (note 10)	(3,815)	(318)	-	-	(4,133)
於2005年3月31日及2005年4月1日之遞延稅項資產淨額	Net deferred tax assets at 31 March 2005 and at 1 April 2005	(3,815)	(318)	-	-	(4,133)
年內於損益賬扣除/ (減免) 之遞延稅項 (附註10)	Deferred tax charged/ (credited) to the income statement during the year (note 10)	3,778	(218)	(5,539)	(5,608)	(7,587)
於2006年3月31日之遞延稅項資產淨額	Net deferred tax assets as at 31 March 2006	(37)	(536)	(5,539)	(5,608)	(11,720)

於2006年3月31日，本集團香港之稅項虧損為港幣31,557,000元（2005年：港幣158,899,000元），以及可扣減暫時性差異為港幣116,742,000元（2005年：港幣140,572,000元），可於往後任何期間用以抵銷產生虧損公司未來之應課稅溢利。由於遞延稅項資產乃於已有一段時間錄得不確定未來經營溢利之附屬公司出現，故並未確認該等虧損及可扣減暫時性差額入賬。

於2006年3月31日，就本集團附屬公司及聯營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（2005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。

本公司向其股東發息之款項並無帶來所得稅後果。

At 31 March 2006, the Group had tax losses arising in Hong Kong of HK\$31,557,000 (2005: HK\$158,899,000) and deductible temporary differences of HK\$116,742,000 (2005: HK\$140,572,000) 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 and deductible temporary differences as they have arisen in subsidiaries with uncertain future operating profit streams.

At 31 March 2006, there was no significant unrecognised deferred tax liability (2005: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries and the associate as the Group has no liability to additional tax should such amounts be remitted.

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

28. 股本

28. SHARE CAPITAL

		2006 HK\$'000	2005 HK\$'000
法定：	Authorised:		
普通股 2,000,000,000 股 (2005年：2,000,000,000 股)	2,000,000,000 (2005: 2,000,000,000)		
每股面值港幣一角	ordinary shares of HK\$0.10 each	<b>200,000</b>	200,000
已發行及繳足：	Issued and fully paid:		
普通股 1,163,828,377 股 (2005年：1,163,828,377 股)	1,163,828,377 (2005: 1,163,828,377)		
每股面值港幣一角	ordinary shares of HK\$0.10 each	<b>116,383</b>	116,383

購股權

本公司購股權計劃之詳情載於財務報表附註 29。

Share options

Details of the Company's share option schemes are included in note 29 to the financial statements.

29. 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。

29. SHARE OPTION SCHEMES

The Company operates share option schemes 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2002年8月30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1994年8月31日採納之舊購股權計劃（「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 old 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.

新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。

Eligible participants of the New 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, subcontractor, 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.

年內及過往年度，並無根據新計劃授出購股權。新計劃於2002年8月30生效，而除非被註銷或經修改，否則自該日起10年內仍然有效。

In the current and prior years, 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.

**29. 購股權計劃 (續)**

根據購股權計劃，現時容許授出而尚未行使之最高數目購股權乃指於2002年8月30日行使時佔本公司不時已發行股份10%。於2005年及2006年3月31日，並無尚未行使之購股權。於任何12個月期間，根據授予新計劃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份之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12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逾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)超逾港幣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28日內授納。接納購股權要約時須支付代價港幣1元。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10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)在香港聯合交易所有限公司(「聯交所」)之收市價；(ii)緊接要約授出日期前5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。

**29. SHARE OPTION SCHEMES (Continued)**

The maximum number of unexercised share options currently permitted to be granted under the share option schemes is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at 30 August 2002. At 31 March 2005 and 2006, there were no outstanding share options. The maximum number of shares issuable under share options to each eligible participant in the New Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in advance 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 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 offer. A consideration of HK\$1 is payable on acceptance of the offer of a 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 10 years from the date of offer of the share options.

The exercise price of the share options is determinable by the directors, but may not be less than the highest of (i) The Stock Exchange of Hong Kong Limited (the "Stock Exchange") closing price of the Company's shares on the date of offer of the share options, 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 offer; 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.



**30. 儲備**

**(a) 集團**

本集團儲備以及於本年及過往年度之變動，載於財務報表第53及54頁之綜合權益變動表。

**(b) 公司**

**30. 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 pages 53 and 54 of the financial statements.

**(b) Company**

		Notes 附註	Share premium account 股份溢價賬 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2004年4月1日	At 1 April 2004		478,773	1,619	193,340	2,742	676,474
年度溢利	Net profit for the year	11	-	-	-	126,899	126,899
中期股息	Interim dividend	12	-	-	-	(11,638)	(11,638)
擬派末期股息	Proposed final dividend	12	-	-	-	(23,277)	(23,277)
擬派末期特別股息	Proposed final special dividend	12	-	-	-	(93,106)	(93,106)
於2005年3月31日 及2005年4月1日	At 31 March 2005 and at 1 April 2005		478,773	1,619	193,340	1,620	675,352
年度溢利	Net profit for the year	11	-	-	-	73,159	73,159
中期股息	Interim dividend	12	-	-	-	(25,604)	(25,604)
擬派末期股息	Proposed final dividend	12	-	-	-	(48,881)	(48,881)
於2006年3月31日	At 31 March 2006		478,773	1,619	193,340	294	674,026

本公司實繳盈餘為本公司於收購日期收購附屬公司已發行股本時有關公司之股本面值及本公司因此而發行股份之面值之差額。根據百慕達1981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.

**31. 或然負債**

於結算日，於財務報表未撥備之或然負債如下：

		Group 集團		Company 公司	
		2006 HK\$'000	2005 HK\$'000	2006 HK\$'000	2005 HK\$'000
向附屬公司所獲銀行 信貸作出擔保	Guarantees to banks in respect of banking facilities granted to subsidiaries	-	-	<b>714,000</b>	764,000

本公司就附屬公司所獲銀行信貸而作出港幣 714,000,000 元 (2005 年：港幣 764,000,000 元) 之擔保，其中應付票據港幣 29,311,000 元 (2005 年：港幣 6,891,000 元) 於結算日已獲附屬公司提用。

**32. 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 (2005 年：2 至 9 年)。租約條款亦一般規定租戶須支付按金及根據當時市況定期調整租金。

於 2006 年 3 月 31 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到期如下：

		Group 集團	
		2006 HK\$'000	2005 HK\$'000
1 年內	Within one year	<b>830</b>	1,711
2 至 5 年 (包括首尾 2 年)	In the second to fifth years, inclusive	<b>327</b>	1,149
5 年後	After five years	<b>191</b>	300
		<b>1,348</b>	3,160

**31. CONTINGENT LIABILITIES**

At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

		Group 集團		Company 公司	
		2006 HK\$'000	2005 HK\$'000	2006 HK\$'000	2005 HK\$'000
向附屬公司所獲銀行 信貸作出擔保	Guarantees to banks in respect of banking facilities granted to subsidiaries	-	-	<b>714,000</b>	764,000

Out of the HK\$714,000,000 (2005: HK\$764,000,000) corporate guarantees to banks in respect of banking facilities granted to subsidiaries, bills payable totalling HK\$29,311,000 (2005: HK\$6,891,000) were utilised by the subsidiaries at the balance sheet date.

**32. OPERATING LEASE ARRANGEMENTS**

**(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 (2005: two to nine years). The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 March 2006, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

**32. 經營租約安排 (續)**

**(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1至5年(2005年：1至5年)。

於2006年3月31日，本集團就不可撤銷之經營租約而須於未來支付之最低租金總額到期如下：

		Group 集團	
		2006 HK\$'000	2005 HK\$'000
1年內	Within one year	27,383	29,303
2至5年(包括首尾2年)	In the second to fifth years, inclusive	21,470	22,504
		<b>48,853</b>	51,807

於結算日，本公司並無任何經營租賃安排(2005年：無)。

**33. 關連人士交易**

本集團之主要管理人員為本公司董事，董事酬金之進一步詳情載於財務報表附註8。

**34. 財務風險管理目標及政策**

本集團之主要財務工具包括現金及銀行結存及定期存款。該等金融工具之主要目的是為本集團業務籌集資金。本集團擁有多項其他金融資產及負債，例如應收賬項及票據、應付賬項及票據，以及應計負債，均直接由其業務產生。

於回顧年度，本集團之政策一直為不進行買賣財務工具。

本集團財務工具所面對之主要風險為外匯風險、信貸風險及流動資金風險。董事會檢討及同意管理每項風險，並概述如下。

**32. OPERATING LEASE ARRANGEMENTS (Continued)**

**(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 five years (2005: one to five years).

At 31 March 2006, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		Group 集團	
		2006 HK\$'000	2005 HK\$'000
1年內	Within one year	27,383	29,303
2至5年(包括首尾2年)	In the second to fifth years, inclusive	21,470	22,504
		<b>48,853</b>	51,807

At the balance sheet date, the Company did not have any operating lease arrangements (2005: Nil).

**33. RELATED PARTY TRANSACTIONS**

The Group's key management personnel are the directors of the Company and further details of directors' remuneration are included in note 8 to the financial statements.

**34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Group's principal financial instruments comprise cash and bank balances and time deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade and bills receivables, trade and bills payables and accrued liabilities, which arise directly from its operations.

It is, and has been, throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

**34. 財務風險管理目標及政策 (續)****外匯風險**

本集團因交易而面對外匯風險。本集團有關風險源自營運單位以單位功能貨幣以外之貨幣計值之收益、購入及開支。本集團之貨幣資產、融資及交易主要以人民幣及港元列值。本集團面對外匯風險，有關風險由港元兌人民幣之匯率變動而產生。目前，本集團無意尋求對沖其外匯波動之風險。然而，本集團將定期檢討經濟狀況及其外匯風險，並於未來考慮合適之對沖措施。

**信貸風險**

本集團只會與已確認及有信用之第三方交易。本集團政策規定為所有擬用信貸條款交易之客戶進行信用審核程式。另外，本集團會持續監察應收款項結餘，因此壞賬風險相當少。本集團信貸政策之詳情載於財務報表附註21。

本集團其他金融資產(主要包括現金及現金等值項目、定期存款及預付款、按金及其他應收款項)之信貸風險，乃來自對方不能歸還之款項，而最大風險等同該等工具之賬面值。

由於本集團只會與已確認及有信用之第三方交易，所以沒有質押要求。

**流動資金風險**

本集團將持續維持穩健之融資政策，並確保能維持充裕之現金及信貸狀況，藉以滿足流動資金需求。

**34. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)****Foreign currency risk**

The Group has transactional currency exposures. Such exposures arise from revenue, purchases or expenses of operating units in currencies other than the units' functional currency. The Group's monetary assets, financing and transactions are principally denominated in RMB and HK\$. The Group is exposed to the foreign exchange risk arising from changes in the exchange rate of HK\$ against RMB. At present, the Group does not intend to seek to hedge its exposure to foreign exchange fluctuations. However, the Group will constantly review the economic situation and its foreign exchange risk profile, and will consider appropriate hedging measures in the future.

**Credit risk**

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. Details of the Group's credit policy are set out in note 21 to the financial statements.

The credit risk of the Group's other financial assets, which mainly comprise cash and cash equivalents, time deposits, and prepayments, deposits and other receivables, arises from default of the counterparties, with a maximum exposure equal to the carrying amounts of these instruments.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

**Liquidity risk**

The Group will consistently maintain a prudent financing policy and ensure that it maintains sufficient cash and credit lines to meet its liquidity requirements.

**35. 結算日後事項**

於2006年6月30日的結算日後，集團董事會（「董事會」）宣佈，由於集團主要供應商之一的Fuji Photo Film Co. Ltd.（「FPF」）於日本進行業務重組，本集團與FPF訂立協議終止集團旗下部分附屬公司的分銷協議（「終止協議」），由2006年10月20日起生效。根據終止協議，集團將終止作為印刷器材及醫療影像產品等部分FPF產品的分銷商。本集團將繼續為FPF影像產品的獨家分銷商。

根據終止協議，FPF將向集團作出賠償。然而，由於終止協議之日亦是批准財務報表之同一日，故董事會認為，現時仍不是評估對綜合財務報表財務淨值影響的適當時候。但董事會認為終止協議將不會對本集團截至2007年3月31日止年度的財務表現有重大不利影響。

**36. 比較數額**

誠如財務報表附註2.2及2.4所作之進一步說明，由於本集團於本年內採納新增及經修訂香港財務報告準則，因此，為符合有關新規定，財務報表內若干項目及結餘會計處理及呈列方式已作出相應修訂。故此，本集團已就部分年初結餘作出調整，並將若干比較數額重新歸類及重列，以符合本年度之呈列及會計處理方式。

**37. 財務報表之批准**

本財務報表已於2006年6月29日獲董事會批准及授權刊發。

**35. POST BALANCE SHEET EVENT**

Subsequent to the balance sheet date on 30 June 2006, the board of directors of the Group (the “Board”) announced that due to business restructuring of Fuji Photo Film Co. Ltd. (“FPF”) in Japan, a major supplier of the Group, the Group and FPF entered into an agreement to terminate certain distributorship agreements with certain subsidiaries of the Group with effect from 20 October 2006 (the “Termination Agreement”). Pursuant to the Termination Agreement, the Group will cease to be the distributor of certain products of FPF, including graphic arts and medical imaging products. The Group will remain as a sole distributor of photographic developing and processing products of FPF.

Pursuant to the Termination Agreement, FPF will make compensation to the Group. However, because the Termination Agreement was concluded on the same date of the approval of these financial statements, the Board considers it premature to estimate the net financial effect on the consolidated financial statements. Notwithstanding this, the Board is of the view that the Termination Agreement will not have a material adverse impact on the financial performance of the Group for the year ending 31 March 2007.

**36. COMPARATIVE AMOUNTS**

As further explained in notes 2.2 and 2.4 to the financial statements, due to the adoption of new and revised HKFRSs during the current year, the accounting treatment and presentation of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain opening balance adjustments have been made and certain comparative amounts have been reclassified and restated to conform with the current year’s presentation and accounting treatment.

**37. APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the board of directors on 29 June 2006.