

annual report 年報
2007/08



CHINA-HONGKONG PHOTO PRODUCTS HOLDINGS LIMITED
中港照相器材集團有限公司
(Stock Code: 1123)

Corporate Profile

公司概況

China-Hongkong Photo Products Holdings Limited (Stock Code: 1123) has a long-established business partnership with Fujifilm Japan as the sole authorised distributor of Fujifilm products in Hong Kong and Macau since 1968. The Group has established an extensive network of importers and distributors in these two markets.

In July 2001, the Group acquired Fotomax Holdings Limited and broadened its network from wholesale to include retail business. Through this expansion, the Group operates Fotomax, a leading retail chain that provides photographic processing services across Hong Kong. Fotomax shops use Fujifilm digital laser printing technology to provide high quality photofinishing and digital output services. Fotomax also provides a full range of imaging services include digital imaging and professional imaging services as well as the sales of other imaging related accessories.

In Mainland China, the Group operates a joint venture company in Beijing and has two wholly-owned enterprises in Hainan and Sichuan. In 2005, the Group established a wholly-owned subsidiary in Beijing to further expand its wholesale and retail services network following the granting of certificates through the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), as preferred Hong Kong wholesale and retail service supplier.

China-Hongkong Photo Products Holdings Limited was incorporated in Bermuda on 6 July, 1994 and listed on the Stock Exchange of Hong Kong on 19 September, 1994. The Group is held by the public (38.8%) and by its founder, the Sun family (61.2%) through Searich Group Limited, Fine Products Limited and Dago Corporation.

中港照相器材集團有限公司(股份代號：1123)與日本富士為長久的業務夥伴，自1968年以來一直為富士產品於香港及澳門的唯一認可經銷商。集團已在這兩個市場建立廣泛的入口商及分銷商網絡。

2001年7月，集團購入快圖美控股有限公司，將分銷網絡的業務擴展至零售層面。快圖美是香港最具規模的影像服務連鎖店，通過是次收購擴張，集團涉足快圖美的業務。快圖美利用富士的數碼激光沖印科技提供高質量的沖印及數碼沖印服務。快圖美亦提供一系列的影像服務，包括數碼影像及專業影像服務，以及銷售其他相關影像產品。

在中國大陸，集團於北京設有一間合營公司並於海南及四川開設兩間獨資公司。2005年，隨著中國內地與香港更緊密經貿關係安排授予集團證書作為首選的香港批發及零售服務供應商後，集團已在北京設立一間全資附屬公司，以進一步擴大其批發及零售服務網絡。

中港照相器材集團有限公司於1994年7月6日在百慕達註冊成立，並於同年9月19日在香港聯合交易所上市。集團百分之38.8%股權由公眾持有，而其餘61.2%則由創辦人孫氏家族透過Searich Group Limited，Fine Products Limited及Dago Corporation所擁有。

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Mission Statement

We have a long-term perspective and commitment to the imaging and information business in mainland China, Hong Kong and Macau. We strive to achieve steady growth and a prudent return on shareholders' funds. China-Hongkong Photo is dedicated to providing customers with quality products and services, and to contributing to the communities in which we do business.

企業宗旨

我們對於目前在中港澳三地經營的影像及資訊業務抱有長遠的使命感。我們會確保集團有穩健的增長，股東獲得合理的回報。我們更承諾為顧客提供最優質之產品及服務，並積極貢獻社會。

Corporate Principles

- Fostering strong internal relationships between management and employees
- Creating an environment that will encourage employees to be confident and competent
- Empowering our staff to boost employees' morale
- Striving to provide quality service and distribute diversified products to our customers' satisfaction
- Commitment to effective and open communication with our shareholders, our customers, our colleagues and the community
- Actively seeking opportunities to help the community

企業信念

- 建立緊密及良好的從屬關係
- 建立理想的工作環境，培養稱職及具自信心的員工
- 適當授權予員工，提高員工之士氣
- 提供卓越服務及多元化產品，令顧客稱心滿意
- 與股東、顧客、員工及社會保持有效之溝通
- 回饋社會

Financial Highlights

財務摘要

綜合損益表資料

截至3月31日止年度

CONSOLIDATED PROFIT AND LOSS DATA

Year ended 31 March

		2008	2007	2006	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
收益	Revenue	322,618	827,204	1,250,595	1,232,828	1,395,111
除稅前溢利／(虧損)	Profit/(loss) before taxation	52,265	233,714	120,499	44,910	(57,363)
稅項	Tax	(6,047)	(14,979)	100	195	(4,329)
除少數股東權益前之溢利／(虧損)	Profit/(loss) before minority interests	46,218	218,735	120,599	45,105	(61,692)
少數股東權益	Minority interests	165	89	(103)	240	45
股東應佔溢利／(虧損)	Profit/(loss) attributable to shareholders	46,383	218,824	120,496	45,345	(61,647)
股息	Dividends	(104,744)	(104,744)	(74,485)	(128,021)	(128,021)
每股資料	Per share data	HK cents	HK cents	HK cents	HK cents	HK cents
盈利／(虧損)	Earnings/(loss)	3.99	18.80	10.35	3.90	(5.30)
中期股息	Interim dividend	1.00	3.80	2.20	1.00	–
中期特別股息	Interim special dividend	2.80	–	–	–	1.00
擬派末期股息	Proposed final dividend	0.90	5.20	4.20	2.00	–
擬派末期特別股息	Proposed final special dividend	4.30	–	–	8.00	10.00

綜合資產負債表資料

於3月31日

CONSOLIDATED BALANCE SHEET DATA

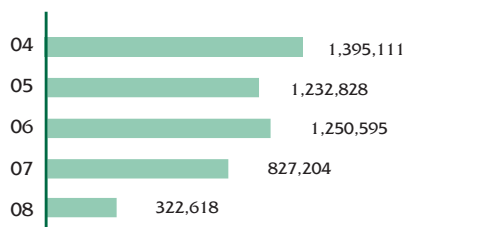
As at 31 March

		2008	2007	2006	2005	2004
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
物業、廠房及設備	Property, plant and equipment	41,907	50,434	98,176	116,306	144,849
投資物業	Investment properties	124,194	103,248	35,958	35,850	35,900
商譽	Goodwill	35,878	35,878	35,878	35,878	38,075
定期存款	Time deposits	–	–	38,785	54,579	15,594
透過損益按公平值計算之金融資產	Financial assets at fair value through profit or loss	236,792	–	–	–	–
現金及現金等值項目	Cash and cash equivalents	680,619	965,257	617,420	540,976	515,336
其他流動資產／(負債)淨值	Other net current assets/(liabilities)	(26,018)	(36,482)	117,996	190,270	329,335
總資產減流動負債	Total assets over current liabilities	1,108,936	1,133,248	980,556	1,002,639	1,085,030
少數股東權益	Minority interests	(15,922)	(16,087)	(16,176)	(16,073)	(16,313)
非流動負債	Non-current liabilities	(35,048)	(8,363)	(4,898)	(2,503)	(1,928)
股東資金	Shareholders' funds	1,057,966	1,108,798	959,482	984,063	1,066,789
		%	%	%	%	%
債務與資本比率	Debt to equity ratio	–	–	–	–	–
資金回報率	Return on equity	4.38	19.74	12.56	4.61	N/A
派息率	Dividend pay-out ratio	226.63	47.89	61.84	282.05	N/A
流動比率	Current ratio	1,140.70	985.15	626.78	665.21	678.22

Revenue

收益

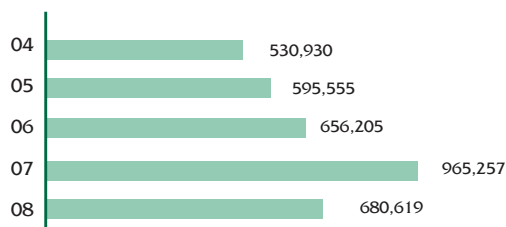
HK\$'000
港幣千元



Cash and cash equivalents, and time deposits

現金及現金等值項目及定期存款

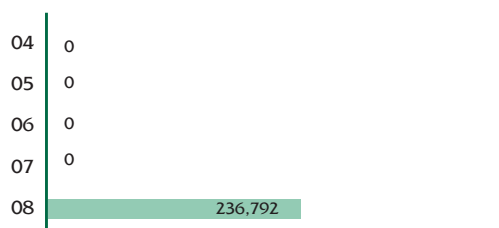
HK\$'000
港幣千元



Financial assets at fair value through profit or loss

透過損益按公平值計算之金融資產

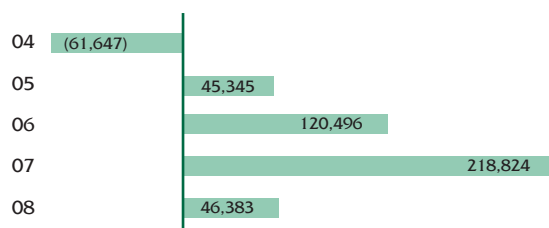
HK\$'000
港幣千元



Profit/(loss) attributable to shareholders

股東應佔溢利/(虧損)

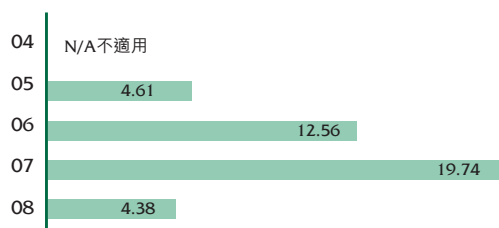
HK\$'000
港幣千元



Return on equity

資金回報率

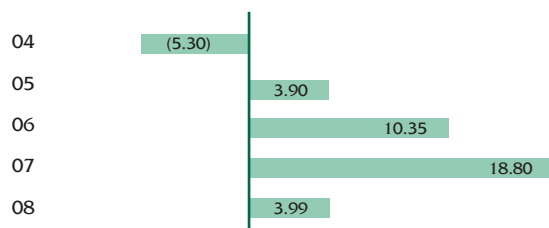
%
百分比



Earnings/(loss) per share

每股盈利/(虧損)

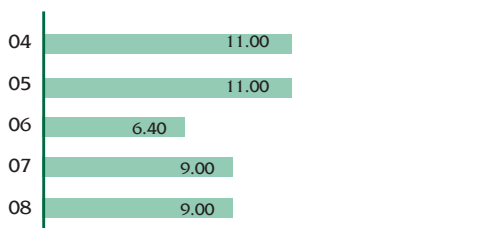
HK ¢
港仙



Dividend per share

每股股息

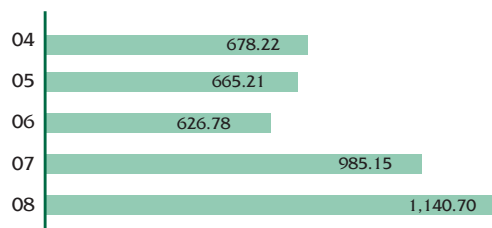
HK ¢
港仙



Current ratio

流動比率

%
百分比





The Group has embraced this challenging era with a strategic vision guided by a commitment to innovation. This has seen the Group embrace new market opportunities while keeping abreast of the changing marketplace.

本集團以積極的態度迎向這充滿挑戰的時代，以銳意創新作為戰略視野之定位。據此，本集團勇於發掘新市場機遇，同時緊貼不斷變化的市場情況。

The global imaging industry has undergone dramatic changes as digital technology continues to progress and to evolve. In the course of just a decade, the world's embrace of imaging product designs and their use has reshaped the photo-imaging market in a way that was previously unimaginable. Globalisation has contributed significantly to help speeding the revolution from analogue imaging to new frontiers of digital imaging.

The China-Hongkong Photo Products Holdings Limited (referred to as "the Group" hereafter) has embraced this challenging era with a strategic vision guided by a commitment to innovation. This has seen the Group embrace new market opportunities while keeping abreast of the changing marketplace.

隨著數碼科技的不斷進步及推陳出新，全球影像業出現翻天覆地的變化，在短短十年間，全世界對影像產品設計的熱烈關注及有關產品的應用，讓照相拍攝市場以過往無法想像的方式被重新塑造。全球化趨勢對於加速影像業從模擬影像過渡至全新層次的數碼影像，亦發揮了相當重要的作用。

中港照相器材集團有限公司(下稱「本集團」)以積極的態度迎向這充滿挑戰的時代，以銳意創新作為戰略視野之定位。據此，本集團勇於發掘新市場機遇，同時緊貼不斷變化的市場情況。

In the fiscal year 2007/2008, the Group continued to make strategic adjustments to its business model in order to stay ahead of the global shift in demand for new imaging technologies. During this period, the Group was still releasing its strategic due to the termination of its distribution rights to Fujifilm Japan, and recorded a 61% decrease in revenue. Consolidated revenue for the year under review amounted to HK\$323 million and the net profit attributable to shareholders was HK\$46 million, a drop of 78.8% compared with the previous fiscal year.

The Group has responded to the fiercely competitive global marketplace and has adapted effectively. At the same time that the traditional film market has been contracting, the Group is pleased to announce that it has recorded reasonable revenue growth from digital imaging products.

Entering into our 40th year of operation, the Group saw exceptional growth in demand for digital imaging products. Advancing into 2008, we envisage a promising sales growth with the Olympic Games in Beijing and with Hong Kong continuing to play a vital role as a bridge between China and the global marketplace.

The Group is pleased to report a satisfactory performance by our wholly-owned subsidiary, Fotomax, which has met with success in the retail sector. In addition to strong growth in FotoPress printing services, the Group has reported a record-breaking figure in the total volume of digital prints, which stands at more than 62.9 million for the year. Total online print orders alone were 2.07 million, a 35% growth when compared with the same period last fiscal year.

於2007／2008財政年度，本集團繼續對業務模式作出策略調整，以新影像科技在全球需求轉移中繼續早著先機。期內，受日本富士菲林代理權終止之影響錄得61%之收益減少，本集團仍在調整策略應對。回顧年度之綜合收益為港幣3.23億元，並錄得股東應佔純利港幣4,600萬元，較對上財政年度下跌78.8%。

本集團就競爭激烈之環球市場環境作出應對措施，並有效加以適應。在傳統菲林市場萎縮的同時，本集團欣然宣佈來自數碼影像產品的收益取得合理增長。

今年為本集團開業40週年，我們喜見數碼影像產品需求取得突出增長。踏入2008年，本集團預計，隨著北京奧運來臨及香港繼續作為中國和環球市場之間的重要橋樑，銷售將錄得可觀的增長。

本集團欣然報告，集團全資附屬公司快圖美的表現理想，與零售業並肩蓬勃發展。除了FotoPress的沖印服務錄得強勁增長外，本集團於年內錄得逾6,290萬張的破紀錄數碼沖印總數量。僅就網上沖印訂單已錄得207萬張，較上個財政年度同期增長35%。



Outdoor billboard
戶外廣告板



Photographic competition

「影像連繫·心情回顧」攝影比賽

Unlike many of our competitors, the Group has a long history in the industry and is keenly responsive to changes in the market. We have been pioneers in the imaging market for many years and have worked to shape, rather than respond to, changing market dynamics. Against a background of keen competition, the Group has kept abreast of changes and marketing developments in the imaging field. We remain strategically focused on profitable business areas while imposing tight cost controls at the same time. In the coming year, the Group will continue to secure profit levels through effective management of expenses, improved distribution networks and inventory control.

As a key plank of our corporate strategy, the Group will continue to broaden its retail programmes, placing strong emphasis on digital imaging services. An increased focus on training programmes for staff will improve the Group's front-line technological capabilities. Through these initiatives, we expect to see sustainable business growth in the future.

As a successful corporation that has remained strong for four decades, the Group believes that a strong commitment to our strategic vision is essential. I am confident that with a shared commitment from staff at all levels, success will result. I envisage that the Group will continue to prosper and grow with this philosophy firmly embedded in our business goals.

Last but not least, on behalf of the management and board of directors, I would like to thank the Group's business partners, stakeholders and staff for their support during the past year. To reward shareholder's continuing support to the Group, the Board is pleased to recommend a payment of high dividend in view of our strong balance sheet.

本集團在業內已有悠久歷史，對市場變化反應迅捷，與集團多位競爭對手有所不同。集團多年來一直是影像市場的先鋒，不斷嘗試引領市場變化，而非被動地就此作出反應。在競爭激烈的情況下，本集團一直緊貼影像市場的變動及市場發展。集團在策略上仍專注於有利可圖業務，同時亦奉行嚴謹成本監控措施。於來年，本集團將繼續透過對開支的有效管理，改善分銷網絡及存貨監控而保障盈利水平。

作為集團的公司策略主要平台之一，本集團將繼續拓展其零售計劃，著力發展數碼影像服務。本集團的前線技術能力將可透過提升員工培訓項目而獲得改善。憑藉此等措施，集團預期日後業務將可持續增長。

本集團認為，集團在四十年來得以成為一家成功企業而至今屹立不倒，全賴集團對策略目標的堅持。在各階層員工的共同努力下，本人深信將可達致成功。本人預期，本集團憑藉此已牢牢嵌入集團業務目標的經營哲學，將可繼續蓬勃發展。

最後而同樣重要者，本人謹代表管理層及董事會，衷心感謝集團的業務夥伴、股東及員工過去一年給予的支持。為答謝股東對本集團的恒久支持，以及因應本集團穩健的資產負債表情況，董事會欣然提呈派發大額股息。

Dr Sun Tai Lun Dennis

Chairman

孫大倫博士

主席

富士數碼
激光沖印

馬蹄啲嗒倡奧運，影機咔嚓耀港情



One World One Dream – Join the Fun of the Olympic Games
One Sport One Photo – Freeze the Actions via Digital Prints



Operations Review

業務回顧

OVERVIEW

The imaging industry is a front-end business that is constantly facing new challenges from both a global and a regional perspective. From a macro point of view, we are facing competition and challenges, not only in relation to products, but also from the overall changing social and behavioural patterns of our customers. Therefore, it is very important not only take into account market trends in the region, but also to keep abreast of the spending pattern of consumers in relation to imaging products.

It is commonly acknowledged that the imaging and new media business sector is fiercely competitive, leading to a trade environment which has seen many operators fold during the past few years. A key part of our business strategy has been to make several adjustments in line with new distribution opportunities in order to sustain the profit margins of the imaging business.

Another strategy is to keep pace with consumer demand for diversified digital products. The Group's Fotomax network continued to upgrade its retail service by developing new brands and value-added schemes to its product lines. The success of Fun2Print, FotoPress and online services are but a few of these innovations which demonstrate our commitment to innovation.

REVENUE AND PROFIT

In the year ended 31 March 2008, the Group's total revenue was HK\$323 million, a drop of 61% compared with 2007. The net profit attributable to shareholders was HK\$46 million, a 78.8% decrease over the previous year. Earnings per share were HK3.99 cents.

概覽

影像業為一種前端業務，須不斷面對來自全球及區內的嶄新挑戰。從宏觀角度而言，集團不僅面對產品方面的競爭及挑戰，亦面對客戶在社交及行為模式方面整體上轉變的挑戰。因此，集團除了關注區內市場趨勢外，緊貼客戶在影像產品方面的消費模式亦甚為重要。

眾所周知，影像及嶄新媒體業務競爭激烈，在此營商環境下，過往數年有多位經營者結業。進行配合新分銷商機的多項調整為集團業務策略的關鍵一環，以令影像業務的毛利率得以維持。

集團的另一策略為緊貼客戶對多元化數碼產品的需求。本集團的快圖美網絡繼續透過為其生產線開發新品牌及增值計劃，從而提升其零售服務。「快趣印」、FotoPress及網上服務取得的成功僅為其中幾個創新例子，其充份反映集團對創新的堅持。

收益及溢利

集團截至2008年3月31日止年度的收益總額為港幣3.23億元，較2007年下跌61%。本公司股權持有人應佔純利為港幣4,600萬元，較去年下跌78.8%。每股盈利為港幣3.99仙。



Fun2Print promotion
「快趣印」宣傳活動

MERCHANDISING

Digital cameras remain the Group's strongest business product due to the sophistication in camera design, electronic functioning and superior image quality. Effective trade promotions in collaboration with leading chain stores in the Hong Kong retail market, such as product exposure in television advertising campaigns, and joint sales promotions with credit cards were also undertaken.

The Group is pleased to report that the sales of digital cameras was up by 17.4% in the year under review.

The two most popular digital camera models during the year were the FinePix F50fd and the FinePix Z10fd. Equipped with the popular "face detection" technology which optimises focus and exposure, the FinePix F50fd easily became the year's market winner. The superior functions of these products included ultra high sensitivity, quick shooting response features and dual memory cards (xD and SD) capabilities.

In addition, two new digital cameras, the S5800fd and the S8000fd, were launched before Summer, 2007. These models, equipped with 10x and 18x long zoom lenses respectively, proved to be very popular among tourists.

Among professional users, the digital SLR camera FinePix S5Pro proved to be extremely popular.

產品銷售

基於數碼相機的精密設計、電子功能及優質影像，令其繼續成為本集團的最強業務產品。本集團亦與多家香港零售市場主要連鎖店進行有效的聯合推廣活動，（如增加產品曝光的電視廣告），另亦與信用卡進行聯合銷售推廣。

本集團欣然報告，於回顧年度內，數碼相機的銷售額上升17.4%。

年內，最受歡迎的兩款數碼相機型號為FinePix F50fd及FinePix Z10fd。FinePix F50fd附有廣受歡迎的「面部識別」技術，使焦距和曝光的表現更出色，輕易成為本年度市場冠軍。該兩款產品包含高感光度、極速快門及雙記憶卡（xD及SD）性能的卓越功能。

此外，於2007年夏季前，集團推出兩款全新數碼相機S5800fd及S8000fd。該兩個型號分別具有10倍及18倍長變焦鏡，非常受旅客歡迎。

至於專業用家方面，FinePix S5Pro單鏡反光數碼相機則深受他們歡迎。



Bus advertisement
巴士廣告



Professional photographers were invited to share the experience with the amateurs
專業攝影家與業餘愛好者分享拍攝心得

Reflecting the worldwide trend of lessening interest in analogue products, the total sales of film continued to fall, recording a decrease of 34.5% compared with the previous fiscal year. Despite this, the Group continued to enjoy strong growth of 63.3% in instant products.

On the operational level, the Group will strive to expand the market for innovative and customer-friendly products and services. Imaging software, the promotional network and Fuji Digital Imaging (FDI) networks will be upgraded, while specialist training and workshops will target frontline staff to upgrade their technological and photofinishing expertise.

對傳統產品的需求日益下降乃全球趨勢，菲林的總銷售額繼續下滑，較上一個財政年度下跌34.5%。儘管如此，本集團的即影即有產品仍錄得63.3%的強勁增長。

就經營層面而言，本集團將致力開拓創新和輕易使用的產品及服務。集團將把影像軟件、推廣層面及富士數碼激光沖印服務(FDI)網絡升級，另亦向前線員工提供專業培訓及工作坊，務求提升他們於科技及相片沖印方面的專業知識。



Welcome to Virtual Fotomax!
 Enjoy a Rollercoaster Ride
 in Image Wonderland!



快圖美網絡深廣遠，虛擬世界影像紛陳



PHOTOFINISHING AND TECHNICAL SERVICES

In the past fiscal year, as a measure of cost re-adjustments, the Group reduced the number of Fotomax shops from 91 to 87, while increasing the number of kiosks from 180 units to 220 units.

Total revenue amounted to HK\$129 million, which was a decrease of 3.7% as compared with the same period last year. However, the Group is pleased to report that total sales from the FotoPress printing service increased by 75% as compared with the same period last year. As well, total sales for Fun2Print paper printing products also increased by 47% as compared with same period.



Magazine advertisement
潮流雜誌廣告

沖印及技術服務

於過去的財政年度，為調節成本，本集團將快圖美分店數目由91間削減至87間，同一時間，「數碼站」數量由180台增至220台。

全年總收益達港幣1.29億元，較去年同期減少3.7%。然而，本集團欣然呈報，來自FotoPress沖印服務之總銷售額較去年同期上升75%。此外，「快趣印」相紙沖印產品的總銷售額亦較去年同期增加47%。

The market trend has continued to embrace digital printing products over film which has seen Fotomax meet the challenge by shifting its emphasis to digital sales. The Group expects to see continued growth of sales in digital printing over the next year, reflecting the overall market transition from film to digital printing.

The Digital Kiosks have been welcomed by consumers who find them convenient to use, and print orders received from the kiosks have become the preferred method of photographic printing. The total number of prints from digital files was 62.9 million, up 2.2% as compared with the same period last year.

The Group is committed to meeting and responding to rapidly changing new media technology. Three years ago, Fotomax launched the “Octopus Rewards Programme” to facilitate payment by the widely-accepted Octopus Card System. We also upgraded the functionality and usability of our online service with new features on the “Fotomax.com” website. In addition to the one-stop platform and gift items offered previously, further personalised imaging features have been introduced such as the Fotobook, calendar and greeting card functions. Increased tailor-made features have been incorporated into the online service scheme and the Fotobook ordering service has been extended from 11 selected shops to all of the 87 stores in the network, thereby doubling the number of orders.

我們察覺到市場繼續傾向捨菲林取數碼沖印產品的趨勢，而快圖美亦將業務重點轉移至數碼銷售，以回應有關挑戰。本集團預期數碼沖印銷售來年將繼續取得增長，反映出整體市場從菲林沖印過渡至數碼沖印的大方向。

「數碼站」簡單易用，深受消費者歡迎，透過「數碼站」購買沖印服務已成為顧客心目中首選的沖印相片方式。從數碼檔案輸出的相片總數量為6,290萬張，較去年同期增加2.2%。

本集團銳意革新，以迎向及應對新媒體科技的高速轉變。三年前快圖美推出「八達通日日賞」計劃，以配合被廣泛採納的八達通卡系統付款模式。集團亦提升網上服務的功能和使用範圍，在「Fotomax.com」網站上加入新服務。除了原先的一站式平台及售賣禮品功能外，更引進更多個性化影像服務，例如Fotobook，月曆及賀卡功能。網上服務計劃包含了更多度身訂造服務的功能，而Fotobook訂購服務亦由11間特選門店延伸至網絡內全部87間門店，令訂單數量倍增。



Trade promotions in collaboration with leading chain stores in Hong Kong retail market
集團與香港零售市場的主要連鎖店進行有效的聯合推廣活動

In the year under review, the total number of online prints was 2.07 million, recording growth of 35% when compared with same period of last year. As increasing numbers of customers adopt the online platform, the Group is very optimistic that this trend will continue in the coming years.

The Group intends to upgrade its customer service level by participating in the Service Quality Management Certification Scheme organised by the HKQAA.

Looking ahead to 2009, the Group aims to further strengthen Fotomax in order to make it the preferred, leading store for total imaging solutions in terms of convenience, quality, customer service and versatility across Hong Kong.

BRAND MANAGEMENT

The Group's branding management team has adopted a number of integrated strategies aimed at boosting awareness of the FujiFilm Brand and reinforcing Fotomax's customer loyalty. In the year under review, much was accomplished through the Group's strategic promotional campaigns and activities. New popular and fashionable concepts were introduced into the Group's public relations, advertising and promotional activities, targeting different customer segments.



Roadshow activities
路演活動

於回顧年內，網上沖印總數量為207萬張，較去年同期上升35%。由於更多顧客採用網上平台，本集團有信心此一趨勢於未來數年將持續。

本集團擬通過參與香港品質保證局主辦的服務品質管理認證計劃，提升客戶服務水平。

展望2009年度，本集團將目標定於進一步加強快圖美的業務，使它成為全港最受歡迎的全方位影像解決方案服務店，並且在方便、質素、客戶服務及服務全面性各方面均達致最卓越出色。

品牌管理

為提升客戶對富士菲林品牌的認知，及強化快圖美顧客的忠誠度，本集團的品牌管理專責隊伍進行了多項綜合化策略。於回顧年內，本集團的策略推廣計劃及活動取得了一定成績。本集團的公共關係、廣告及推廣活動引入了嶄新而流行的時尚意念，把目標對準不同客戶群。

In the fall of 2007, a major campaign was launched to promote the FinePix Z10fd, coupled with a photographic competition which was jointly undertaken with AMY Magazine. Recognition of our branding efforts was attained during the year under review when Fujifilm was recognised as a favourite brand in the “Touch Brands” election in 2007 organised by East Touch Magazine, a result determined by the magazine’s readers.

A new digital camera model, the Z100fd, was launched during the 2007 Christmas season, featuring popular Japanese model Ms Yuri Ebihara who was the star of the promotional launch event. This activity was supported by a major media campaign targeting trendy and fashion-conscious young consumers.

To build the brand in the virtual world, a new Chinese website interface was launched in November, 2007. A lucky draw promotion scheme was undertaken to draw users to the website.

The imaging business relies heavily on attractive and eye-catching images. The Group has therefore worked hard to keep the brand name highly visible in prominent locations across the city in order to draw public attention to our digital imaging products. Eye-catching advertisements were placed using various formats including print advertisements, outdoor billboards and MTR panels.

於2007年秋季，集團為推廣FinePix Z10fd舉辦了一項大型活動，另外亦與《AMY》雜誌攜手主辦一項攝影比賽。於回顧年內，富士菲林在《東Touch》雜誌主辦的2007年「Touch Brands」選舉中獲該雜誌讀者選為受歡迎品牌，反映集團建立品牌形象的努力得到認同。

於2007年聖誕消費旺季期間面世的全新數碼相機型號Z100fd，邀得日本人氣模特兒蛭原友里小姐為代言人，更成為發表宣傳活動的焦點。是次活動得到一項以追求潮流時尚的年輕消費者為對象的主要媒體活動所支持。

為了在虛擬世界建設品牌形象，集團於2007年11月推出中文網站介面，並舉辦了一次幸運抽獎推廣活動，以引起網絡用戶的注意。

影像業務相當倚賴吸引而鮮明奪目的影像。有見及此，本集團努力確保品牌名稱繼續在城中多個優越位置讓人清晰可見，令集團的數碼影像產品獲得公眾注視。集團亦以不同形式擺放多種奪目吸引的廣告，包括印刷廣告、戶外廣告板及港鐵燈箱廣告等。



MTR advertisement
港鐵廣告

Fotomax plays a major role in engaging with customers and the retail stores are key touchpoints for building and retaining customer loyalty, reinforcing Fotomax' position as a leader in the photofinishing retail business. The Group has worked to position Fotomax as a caring and sensitive photographic services provider, recognising the key role this service plays in capturing and recording customers' most memorable moments.

In the year under review, the Group celebrated the 25th Anniversary of Fotomax and capitalised on this milestone to conduct a series of promotional activities which included television commercials, gift albums, redemption coupons and an anniversary advertorial in East Week Magazine's HKSAR 10th Anniversary Special Edition which had a print run of 336,000.

A thematic promotion was also launched to boost Fun2Print sales, including Mother's Day Promotions and Christmas card and calendar promotions. New gift items were also added to the product line, including multiple-purpose bags, A3 posters and crystal glass key chains. In view of the success of the FotoBook orders, the Group aims to further expand these promotional activities.



Chinese New Year Promotion
新年推廣活動

在加強顧客關係方面，快圖美扮演主要角色，而零售店則是建立及維持顧客忠誠度的重要接觸點，鞏固了快圖美在相片沖印零售服務的領導地位。本集團致力將快圖美定位為一家關懷顧客及服務細心周到的攝影服務供應商，深明此項服務在捕捉和記錄顧客最珍貴時刻擔當著重要的功能。

於回顧年內，快圖美開業達25週年，為慶祝此里程碑，集團乘時舉辦了連串推廣活動，包括推出電視廣告、禮品相集及換領贈券，並於《東周刊》香港特別行政區十周年紀念特刊內刊登文稿，該特刊印刷量達336,000份。

集團亦推出主題式推廣宣傳活動，以刺激「快趣印」的銷售，包括母親節宣傳計劃以及聖誕卡及月曆推廣行動。產品系列亦已加入新禮品，如多用途袋、A3海報及水晶玻璃鑰匙鏈。因FotoBook的訂購反應理想，本集團擬進一步擴大此類推廣活動。

SOCIAL RESPONSIBILITY

The Group has been operating for 40 years and remains as staunchly committed to the philosophy of giving back to the community as we did when we were first founded. The Group has been actively involved in a number of activities focusing on environmental protection and youth education. During the year, the Group sponsored the Community Chest's "Greening for the Chest" programme, in line with our environmental protection principles.

Our involvement in sports continues to be a major focus. In the year under review, the Group continued its sponsorship of the "Fujifilm Mini-Squash Scheme" and "Fujifilm Easy Mini-Squash School Scheme" organised by Hong Kong Squash. These schemes aim to promote a healthy lifestyle and a positive attitude among young people.

In fact, the scale of these schemes has grown significantly over the years with more than 150 training courses for students, teachers and young people held during the review period. In addition, inter-school and public competitions were held and more than 900 players took part.

社會責任

本集團經營業務已達40年，由創業初期至今，始終堅守回饋社會的理念。本集團積極參與多項關心環境保護及青少年教育的活動。年內，本集團贊助了香港公益金「環保為公益」活動，正符合其重視環保的原則。

本集團仍然主力投入體育活動的推動工作。於回顧年內，本集團繼續冠名贊助由香港壁球總會主辦的「富士菲林小型壁球推廣活動」及「富士菲林簡易小型壁球學校計劃」。該等活動旨在向年輕一代推廣健康生活和灌輸積極人生觀。

事實上，上述活動的規模每年均顯著擴大，於回顧期內為學生、老師及青少年舉辦的訓練課程超過150個，並且舉行校際及公開賽事，逾900名球手參賽。



The Community Chest sponsorship
公益金贊助活動



The Group continued to sponsor and promote the sport activities
集團繼續贊助及推廣運動



Frontline staff training
前線員工培訓

STAFF DEVELOPMENT

As technology continues to progress and the speed of Hong Kong's internet traffic becomes even faster, the Group will remain committed to a culture of continual innovation and to embrace the opportunities offered by new technologies. Based on this philosophy, the Group is keenly aware of the importance on human resources development and on the need to invest in the learning and development of our people.

In the year under review, training courses at various levels were offered to all staff across all grades, providing a wide range of skills development opportunities. As the Group's business is highly dependent on continual technological refinement, it is very important that our frontline staff are continually trained on the use of new hardware and software applications. We recognise that new software courses are therefore essential and these have been conducted on a regular basis.

Recognising the rapidly changing consumer marketplace, the Group has also invested in upgrading the capabilities of its marketing team. Regular training in market and customer analysis, and promotional strategies has been undertaken. As well, staff have also taken part in skills development programmes in software applications, product knowledge and leadership.

員工發展

隨著科技不斷發展，以及香港互聯網通訊速度日益提升，本集團將繼續秉承不斷創新的文化，並歡迎嶄新科技帶來的機遇。在此經營哲學下，本集團深明人力資源發展的重要性，以及投資於員工學習及發展的需要。

於回顧年度，集團為各級別的所有員工開辦不同層面的培訓課程，提供廣泛的技術發展機會。由於本集團的業務極為倚賴科技持續改進，故集團前線員工獲培訓使用最新硬件及軟件應用對集團至為重要。因此，集團認為有必要定期提供全新軟件課程。

鑑於消費者市場瞬息萬變，本集團亦已作出投資，務求增強市場推廣團隊之能力。集團為團隊定期提供市場及客戶分析以及宣傳策略培訓。同時，員工亦參與軟件應用、產品知識及領導技能等技術發展課程。



Professional training for staff
員工專業培訓

OUTLOOK

Hong Kong's economic outlook remained positive during the year under review as we observed positive development and growth in Mainland China throughout the year. The region continues to witness a growing number of tourists from Mainland China which is a very encouraging sign for the photographic imaging business.

The 2008 Olympic Games in Beijing will attract worldwide attention in the next fiscal year and there is increasing global interest in Mainland China's economic success story. In the coming year, the Group expects to see significant growth in the tourist industry and remains optimistic about continued business prospects. The Group will continue to leverage the unique opportunities offered by the boom in sports and international tourism in the coming year.

The Group is also keenly focused on the behaviour of younger consumers who embrace new media and digital products. The Group will closely monitor advances in technology and remains committed to keeping abreast of popular lifestyle applications of new media products.

Longer term, the Group is investigating sound investment opportunities in different business areas and we will continue to explore new imaging products and services to foster the expansion of our business.

展望

集團觀察到中國大陸於整個年度的正面發展及增長，認為香港的經濟前景於回顧年度維持正面。香港錄得來自中國大陸的旅客數目不斷上升，對照相影像業務而言，令人鼓舞。

於下個財政年度，全球將會聚焦在北京舉行的2008年奧運會，令世界各地對中國大陸經濟的成功故事興趣漸濃。來年，本集團預期旅遊業會大幅增長，並對業務前景抱持續樂觀態度。本集團將繼續充分掌握體育熱潮及國際旅遊業於來年帶來的獨特機遇。

本集團亦極為注視愛好新式媒體及數碼產品的年輕顧客的行為模式。本集團將密切留意科技發展，並繼續致力緊貼嶄新媒體產品對流行生活模式的影響。

長遠而言，本集團正物色不同業務範疇的理想投資機會，而集團亦將繼續開發新影像產品及服務，以拓展集團業務。

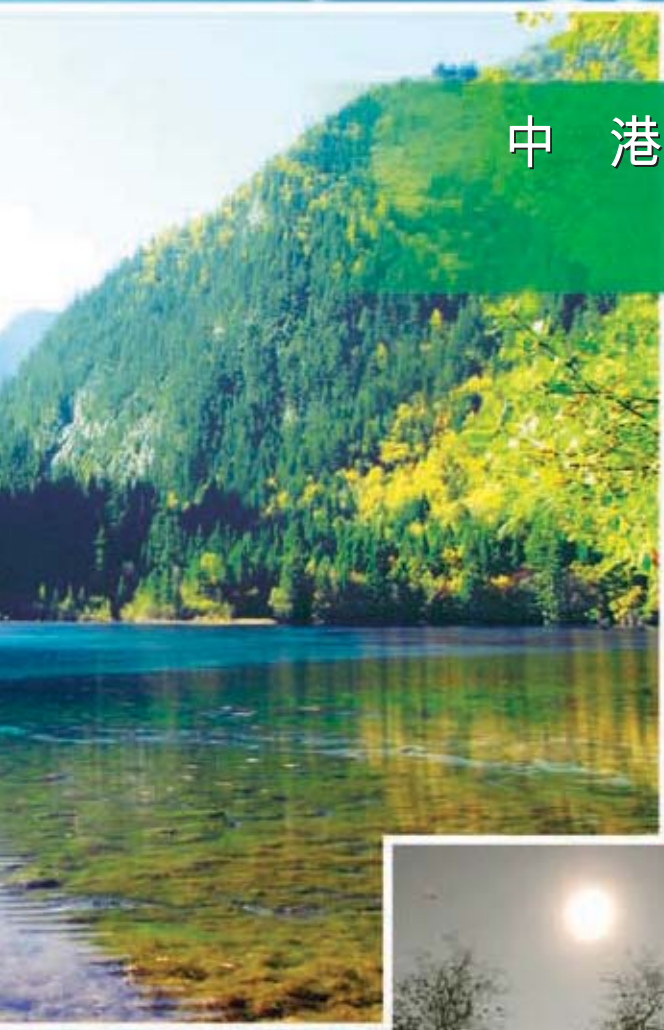


Octopus reward promotion
八達通推廣活動



**New Digital Experience in Landscape Photography
Networking Precious Memories Between Mainland and Hong Kong**





中 港 山 河 存 光 影
數 碼 情 牽 兩 地 緣





Dr Sun Tai Lun Dennis
Chairman
孫大倫博士，主席



Mr Sun Tao Hung Stanley
Executive Director
孫道弘先生，執行董事

孫大倫博士，BBS, JP, 現年57歲，為中港照相器材集團有限公司之主席，負責集團的整體管理及策略業務發展事宜。孫氏於1976年加入集團管理層，並於照相產品業累積32年經驗。

孫氏為香港攝影業商會的永遠名譽會長，香港攝影學會的永遠名譽顧問。孫氏又出任香港公益金名譽副會長，並分別擔任香港城市大學校董會成員及公共關係委員會主席。

孫博士為香港管理專業協會副主席，大新金融集團有限公司、有線寬頻通訊有限公司及興勝創建控股有限公司之獨立非執行董事。孫博士於1999年獲頒銅紫荊星章，更於2002年獲委任為太平紳士。

孫氏持有美國奧克拉荷馬州大學藥劑學學士學位及美國Southern California University for Professional Studies商業管理博士學位，他是前任集團主席兼創辦人孫建業先生之子。

Dr Sun Tai Lun Dennis, BBS, JP, aged 57, is the Chairman of China-Hongkong Photo Products Holdings Limited, responsible for the overall management and strategic business development of the Group. He joined the management team of the Group in 1976 and has 32 years' experience in the photographic products industry.

Dr Sun is the Honorary Chairman of the Hong Kong Photo Marketing Association and also the Life Honorary Advisor of the Photographic Society of Hong Kong. He is the Vice Patron of the Community Chest of Hong Kong. He is also a Council Member and the Chairman of the Community Relations Committee of the City University of Hong Kong.

Dr Sun is the Deputy Chairman of The Hong Kong Management Association. He is also an Independent Non-executive Director of Dah Sing Financial Holdings Limited, i-cable Communications Limited and Hanison Construction Holdings Limited. He was awarded the Bronze Bauhinia Star in 1999 and appointed Justice of the Peace (JP) in 2002.

Dr Sun holds a Bachelor's degree in Pharmacy from the University of Oklahoma, USA and a Doctorate degree in Philosophy in Business Administration from Southern California University for Professional Studies. He is the son of former Honorary Chairman and founder of China-Hongkong Photo Products Holdings Limited, Mr Sun Chieh Yeh.



Ms Ng Yuk Wah Eileen
Executive Director
吳玉華女士，執行董事



Mr Tang Kwok Tong Simon
Executive Director
鄧國棠先生，執行董事

孫道弘先生，現年30歲，為中港照相器材集團有限公司之執行董事。孫氏於2005年加入本集團，現時負責監督集團之整體市場推廣及銷售範疇，並負責制定本集團之商業及發展策略。在加入本集團前，孫氏曾分別於日本富士及其美國分公司任職，專責影像產品之市場推廣事宜。孫氏擁有美國康奈爾大學理學士學位及工商管理碩士學位。孫氏是本公司主席孫大倫博士之子。

吳玉華女士，現年54歲，為中港照相器材集團有限公司之執行董事。吳氏於1978年2月加入本集團，並於集團的財務及行政方面累積豐富經驗。吳氏曾見證集團在80年代的不斷成長，由香港一家富士產品代理商，發展成為在國內、香港及澳門具領導地位的照相器材批發及零售商。

鄧國棠先生，現年56歲，為中港照相器材集團有限公司之執行董事。他於1978年加入中港照相集團，並在照相器材行業積累超過29年的經驗。鄧氏專責監督集團的企業資源署。鄧氏持有加拿大薩斯克其萬省University of Regina頒授之文學士學位。他是本集團主席孫大倫博士的小舅。

Mr Sun Tao Hung Stanley, aged 30, is an Executive Director of China-Hongkong Photo Products Holdings Limited. He joined the Group in 2005 and is currently responsible for the supervision of the overall marketing and sales areas as well as the strategic business development of the Group. Prior to joining the Group, Mr Sun has worked in Fuji Photo Film Co. Ltd, both in Japan and the United States of America, where he conducted marketing work for their imaging business. Mr Sun holds a Bachelor of Science degree and a Master of Business Administration degree from Cornell University, Ithaca, New York, USA. Mr Sun is the son of Dr Sun Tai Lun, Chairman of the Company.

Ms Ng Yuk Wah Eileen, aged 54, is an Executive Director of China-Hongkong Photo Products Holdings Limited. Ms Ng joined the Group in February 1978. She has extensive finance and administrative experience with the Group, having helped it to grow from a local Fuji products trading company in Hong Kong in 1980s to a leading photographic wholesale and retail distributor in Mainland China, Hong Kong and Macau.

Mr Tang Kwok Tong Simon, aged 56, is an Executive Director of China-Hongkong Photo Products Holding Limited. He joined the Group in 1978 and has over 29 years' experience in the photographic products industry. He is responsible for the supervision of the Corporate Resources Division of the Group. Mr Tang holds a Bachelor of Arts degree from the University of Regina, Saskatchewan, Canada. He is the brother-in-law of Dr Sun Tai Lun.

Independent Non-executive Directors' Information

獨立非執行董事資料

獨立非執行董事

區文中先生，現年59歲。區先生持有美國威斯康辛大學頒發之化學工程科理學士學位及食品學碩士學位及加拿大University of Toronto頒發之企業管理碩士學位。區先生是Convenience Retail Asia Ltd.和 Eu Yang Sang Company的董事會成員，區先生於管理方面積逾29年經驗。

李家暉先生，現年53歲，現為李湯陳會計師事務所副執行合夥人、香港中文大學專業進修學院兼任導師及嶺南大學會計學課程諮詢委員會委任委員。此外，李先生亦分別為香港會計師公會執業資深會計師、英國特許公認會計師公會及英國特許秘書行政人員公會資深會員和英格蘭及威爾斯特許會計師公會會員。李先生現為萬科企業股份有限公司之獨立董事、四海國際集團有限公司、招商局國際有限公司及中國航空技術國際控股有限公司之獨立非執行董事。2002-2005年曾任匯保集團控股有限公司(前稱「萬基藥業控股有限公司」)之獨立非執行董事。

劉暉先生，現年51歲，目前ARC Capital Partners Ltd.的管理合夥人，該公司為私人股本管理人，管理約5.80億美元的資金，專注投資於中國及亞洲其他地區的消費及零售公司。在此之前，劉先生是The China Retail Fund LDC的總裁兼董事會成員。該基金是American International Group (「AIG」)與中華人民共和國(「中國」)前原國內貿易部(「內貿部」)共同保薦的國際直接投資基金，投資於國際知名零售商及分銷公司在國內的零售及有關的分銷業務。劉先生曾於中國政府及私人企業服務，在外資直接於中國投資方面擁有逾24年經驗，於消費及零售業務方面的經驗尤其豐富。

黃子欣博士，SBS, MBE, JP，現年57歲，為偉易達集團主席兼集團行政總裁，該集團於一九七六年創立，黃博士為集團聯席創辦人。黃博士持有香港大學電機工程學士學位、美國麥迪遜威斯康辛大學電機及電腦工程科學碩士學位及香港理工大學頒授之榮譽科技博士學位。黃博士為創新及科技督導委員會當然成員，並兼任香港大學校董、東亞銀行及利豐有限公司之獨立非執行董事。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr Au Man Chung Malcolm, aged 59. Mr Au holds a Bachelor of Science degree in Chemical Engineering and a Master of Science degree in Food Science both from the University of Wisconsin, USA and a Master of Business Administration degree from the University of Toronto, Canada. Mr Au also sits on the boards of Convenience Retail Asia Ltd. in HK and Eu Yang Sang Company. Mr Au has over 29 years' experience in management.

Mr Li Ka Fai David, aged 53, is currently the deputy managing partner of Li, Tang, Chen & Company, a part-time instructor of School of Continuing and Professional Studies, The Chinese University of Hong Kong and appointed member of Advisory Board on Accountancy Lingnan University. He is also a fellow of the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants, UK as well as The Institute of Chartered Secretaries & Administrators, UK and an associate member of The Institute of Chartered Accountants in England & Wales. He is an independent director of China Vanke Company Limited, an independent non-executive director of Cosmopolitan International Holdings Limited, China Merchants Holdings (International) Company Limited and CATIC International Holdings Limited. He was also an independent non-executive director of Nubrand Group Holdings Limited (formerly known as "Wanji Pharmaceutical Holdings Limited") in 2002-2005.

Mr Liu Hui Allan, aged 51, is currently Managing Partner of ARC Capital Partners Ltd., a private equity manager with approximately US\$ 580 million under management, focused on investing in consumer and retail companies in China and the rest of Asia. Previously, Mr. Liu was the president and board member of The China Retail Fund LDC, an international direct investment fund sponsored by American International Group ("AIG") in cooperation with the former Ministry of Internal Trade ("MOIT") of the People's Republic of China ("PRC"). The fund invested in retail and retail related distribution business in the PRC with proven international retailers and distribution companies. Mr. Liu has had over 24 years of experience in foreign direct investments in China, especially in the consumer and retail sectors, both in PRC government and private sector capacities.

Dr Wong Chi Yun Allan, SBS, MBE, JP, aged 57, is the Chairman and Group Chief Executive Officer of VTech Holdings Limited, co-founded the Group in 1976. Dr Wong holds a Bachelor of Science degree in Electrical Engineering from the University of Hong Kong, a Master of Science degree in Electrical and Computer Engineering from the University of Wisconsin and an honorary degree of Doctor of Technology from the Hong Kong Polytechnic University. Dr Wong is an ex-officio member of the Steering Committee on Innovation and Technology. He is also a council member of the University of Hong Kong, an independent non-executive director of the Bank of East Asia Limited and Li & Fung Limited.

Corporate Governance Report

企業管治報告

董事會欣然提呈本集團截至2008年3月31日止年度年報內之本企業管治報告。

企業管治守則

本公司致力維持良好企業管治，以保障股東利益以及提升企業價值。

本公司已於截至2008年3月31日止年度遵守企業管治守則所載之主要守則條文，惟守則條文之若干偏離者除外，內容有關分別主席及行政總裁之角色、委任非執行董事及有關僱員買賣本公司證券，詳情於下文闡述。

本公司定期審閱其企業管治常規，以確保該等常規繼續符合企業管治守則之規定。本公司主要企業管治原則及常規概述如下：

A. 董事會

(1) 職責

董事會負責指導及監督本公司以及監察本公司之事務、策略性決定以及表現。董事會已向高級管理人員轉授本公司日常管理及經營之權力及責任。

(2) 管理層職能指派

董事會對本公司所有重大事宜保留決策權，包括批准及監督所有政策事宜、整體策略及預算、內部監控及風險管理制度、重大交易（特別是可能涉及利益衝突之交易）、財務資料、委任董事及其他重大財務及運作事宜。

全體董事可迅速取得所有相關資料以至公司秘書之意見及服務，以確保符合董事會議事程序以及遵守所有適用規則及規例。向董事會提出要求後，各董事一般可於適當情況下徵詢獨立專業意見，費用由本公司承擔。

本公司日常管理、行政及運作均由高級管理層負責。本公司會定期檢討獲分派職務及工作。上述高級職員於訂立任何重大交易前，必須事先獲董事會批准。

The Board is pleased to present this Corporate Governance Report in the Group's annual report for the year ended 31 March 2008.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance with a view to safeguarding the interests of shareholders and enhancing corporate value.

The Company has complied with the major code provisions as set out in the Code on Corporate Governance Practice ("CG Code") throughout the year ended 31 March 2008 save for certain deviations from the code provisions in respect of the separation of the role of Chairman and Chief Executive Officer, the appointment of the non-executive directors and dealings in the Company's securities by the relevant employees, details of which will be explained below.

The Company regularly reviews its corporate governance practices to ensure that these continue to meet the requirements of the CG Code. The key corporate governance principles and practices of the Company are summarized as follows:

A. THE BOARD

(1) Responsibilities

The Board is responsible for the leadership and control of the Company and oversees the Company's business, strategic decisions and performance. The Board has delegated to the senior management the authority and responsibilities for the day-to-day management and operations of the Company.

(2) Delegation of Management Functions

The Board reserves for its decision on all major matters of the Company, including the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those may involve conflict of interests), financial information, appointment of directors and other significant financial and operational matters.

All directors have full and timely access to all relevant information as well as the advice and services of the company secretary, with a view to ensuring that Board procedures and all applicable rules and regulations are followed. Each director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the senior management. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the abovementioned officers.

(3) 董事會組成

董事會現由八名成員組成，包括四名執行董事及四名獨立非執行董事：

執行董事：

孫大倫博士，
主席／行政總裁及
薪酬委員會成員

吳玉華女士

鄧國棠先生

孫道弘先生

獨立非執行董事：

區文中先生，
薪酬委員會主席及
審核委員會成員

李家暉先生，
審核委員會主席

黃子欣博士，
審核委員會及
薪酬委員會成員

劉暉先生，
審核委員會成員

董事名單(按類別分類)亦於本公司不時根據上市規則發出之所有公司通訊內披露。根據上市規則，已於所有公司通訊中，明確說明獨立非執行董事之事務。

董事會成員間之關係於第22頁至24頁之「執行董事資料」及「獨立非執行董事資料」中披露。

截至2008年3月31日止年度，董事會一直遵守上市規則有關委任最少三名獨立非執行董事之規定，而最少一名獨立非執行董事須具備合適專業資格或會計或相關財務管理專業知識。

本公司接獲各獨立非執行董事根據上市規則規定發出之年度獨立身分確認書。本公司認為，根據上市規則所載之獨立指引，全體獨立非執行董事均為獨立人士。

所有董事(包括獨立非執行董事)均為董事會帶來各種不同之寶貴商經驗、知識及專業，使其有效率及有效地運作。獨立非執行董事獲邀擔任本公司審核及薪酬委員會之成員。

(3) Board Composition

The Board currently comprises 8 members, consisting of 4 executive directors and 4 independent non-executive directors.:

Executive directors:

Dr Sun Tai Lun Dennis,
*Chairman/Chief Executive Officer & Member of
Remuneration Committee*

Ms Ng Yuk Wah Eileen

Mr Tang Kwok Tong Simon

Mr Sun Tao Hung Stanley

Independent non-executive directors:

Mr Au Man Chung Malcolm,
*Chairman of Remuneration Committee &
Member of Audit Committee*

Mr Li Ka Fai David,
Chairman of Audit Committee

Dr Wong Chi Yun Allan,
*Member of Audit Committee and
Remuneration Committee*

*Mr Liu Hui Allan,
Member of Audit Committee*

The list of directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time. The independent non-executive directors are expressly identified in all corporate communications pursuant to the Listing Rules.

The relationships among the members of the Board are disclosed under "Executive Directors' Information" and "Independent non-executive directors' information" on page 22 to page 24.

During the year ended 31 March 2008, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received written annual confirmation from each independent non-executive director of his independence pursuant to the requirements of the Listing Rules. The Company considers all independent non-executive directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

All directors, including independent non-executive directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive directors have been invited to serve on the audit and remuneration committees of the Company.

(4) 董事委任、連任及免任

董事委任、重選及免任之程序及過程載於本公司之公司細則。雖然本公司並無設立提名委員會，董事會整體上負責檢討董事會之組成、監察董事之委任及繼任計劃，以及評估獨立非執行董事之獨立性。

根據本公司之公司細則，本公司全體董事均須最少每三年輪值告退一次，而任何就填補臨時空缺委任之新任董事，須於獲委任後首次股東大會接受股東膺選連任。

獨立非執行董事並無固定任期，惟須根據本公司之公司細則輪席退任並接受重選。

董事會定期檢討其架構、規模及組成，確保董事具備適合本公司業務所需之各項專業知識、技能及經驗。

倘董事會出現空缺，董事會將參考擬委任候選人之技能、經驗、專業知識、個別才能及所用時間、本公司需要以及其他相關法定規定及規例進行甄選程序。在有需要時，本公司可能外聘人事顧問公司，進行招聘及甄選程序。

根據本公司之公司細則，鄧國棠先生、孫道弘先生及區文中先生須予退任，並合資格且願意於下屆股東週年大會上膺選連任。

董事會建議於本公司下屆股東週年大會續聘此等正待膺選連任之董事。

本公司日期為2008年7月11日之通函載有正待膺選連任董事之詳細資料。

(5) 董事培訓

各新委任董事於首次獲委任時均會獲得全面、正式兼特為其而設之就任指引，以確保董事適當了解本公司之業務及運作，並全面知悉其根據上市規則及有關監管規定之職責及責任。

於有需要時，本公司亦會為董事安排持續簡介及專業發展。

(4) Appointment, Re-election and Removal of Directors

The procedures and process of appointment, re-election and removal of directors are laid down in the Company's Bye-laws. Though the Company has not set up a nomination committee, the Board as a whole is responsible for reviewing the Board composition, monitoring the appointment and succession planning of directors and assessing the independence of independent non-executive directors.

In accordance with the Company's Bye-laws, all directors of the Company are subject to retirement by rotation at least once every three years and any new director appointed to fill a causal vacancy shall submit himself/herself for re-election by shareholders at the first general meeting after appointment.

The independent non-executive directors are not appointed for specific terms, but are subject to retirement by rotation and re-election by the Company's Bye-laws.

The Board reviewed its own structure, size and composition regularly to ensure that it has a balance of expertise, skills and experience appropriate to the requirements of the business of the Company.

Where vacancies on the Board exist, the Board will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, the Company's needs and other relevant statutory requirements and regulations. An external recruitment agency may be engaged to carry out the recruitment and selection process when necessary.

In accordance with the Company's Bye-laws, Mr Tang Kwok Tong Simon, Mr Sun Tao Hung Stanley and Mr Au Man Chung Malcolm shall retire by rotation and being eligible, offer themselves for re-election at the next forthcoming annual general meeting.

The Board recommended the re-appointment of the directors standing for re-election at the next forthcoming annual general meeting of the Company.

The Company's circular dated 11 July 2008 contains detailed information of the directors standing for re-election.

(5) Training for Directors

Each newly appointed director receives comprehensive, formal and tailored induction on the first occasion of his/her appointment, so as to ensure that he/she has appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

Continuing briefing and professional development for directors will be arranged whenever necessary.

(6) 董事會會議**會議舉行次數及董事出席率**

截至2008年3月31日止年度，已舉行四次常規董事會會議，約為每季舉行一次，以檢討及批准財務及業務表現，並考慮及批准本公司整體策略及政策。

截至2008年3月31日止年度，各董事於董事會會議之出席記錄載列如下：

Name of Directors**董事姓名**

孫大倫

吳玉華

鄧國榮

孫道弘

區文中

李家暉

黃子欣

張昀 (附註1)

劉暉

Sun Tai Lun Dennis

Ng Yuk Wah Eileen

Tang Kwok Tong Simon

Sun Tao Hung Stanley

Au Man Chung Malcolm

Li Ka Fai David

Wong Chi Yun Allan

Chiang Yun Rachel (Note 1)

Liu Hui Allan

Attendance/Number of Meetings**出席率／會議舉行次數**

4/4

4/4

4/4

4/4

4/4

4/4

2/4

0/4

3/4

附註1：於2007年8月20日辭任

議事常規及操守

董事一般可事先取得股東大會會期及各會議議程初稿。

常規董事會會議通知於會議前最少14日向全體董事發出，其他董事會及委員會會議則一般會發出合理通知。

董事會文件連同所有完備之合適可靠資料將於各董事會會議或委員會會議前最少三日向全體董事發出，以令董事得知本公司最新發展及財務狀況，並確保彼等作出知情決定。於有需要時，董事會及各董事亦可個別獨立接觸高級管理層。

財務總監、營運總監及公司秘書出席常規董事會會議，並於有需要時出席其他董事會及委員會會議，以就業務發展、財務及會計事宜、守章事宜、企業管治及本公司其他主要範疇作出建議。

公司秘書負責保存所有董事會會議及委員會會議之會議記錄。會議記錄初稿一般將於各會議後一段合理時間內分派予董事，而定稿將可供董事查閱。

(6) Board Meetings**Number of Meetings and Directors' Attendance**

During the year ended 31 March 2008, four regular Board meetings were held at approximately quarterly intervals for reviewing and approving the financial and operating performance, and considering and approving the overall strategies and policies of the Company.

The attendance record of each director at the Board meetings during the year ended 31 March 2008 is set out below:

Note 1: Resigned on 20 August 2007

Practices and Conduct of Meetings

Annual meeting schedules and draft agenda of each meeting are normally made available to directors in advance.

Notices of regular Board meetings are served to all directors at least fourteen days before the meetings. For other Board and committee meetings, reasonable notice is generally given.

Board papers together with all appropriate, complete and reliable information are sent to all directors at least three days before each Board meeting or committee meeting to keep the directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. The Board and each director also have separate and independent access to the senior management whenever necessary.

The Chief Financial Officer, Chief Operating Officer and Company Secretary attend the regular Board meetings and when necessary, other Board and committee meetings to advise on business developments, financial and accounting matters, statutory compliance, corporate governance and other major aspects of the Company.

The Company Secretary is responsible to keep minutes of all Board meetings and committee meetings. Draft minutes are normally circulated to directors for comment within a reasonable time after each meeting and the final version is open for directors' inspection.

根據現行董事會常規，任何涉及主要股東或董事利益衝突之重大交易將由董事會於正式舉行之董事會會議上考慮及處理。本公司之細則亦載有條文，規定董事於批准該等董事或彼等任何聯繫人士擁有重大利益之交易之會議上放棄投票，且計入會議法定人數。

B. 主席及行政總裁

守則條文第A.2.1條訂明，主席及行政總裁之職責須有所區分，並不應由同一人出任。

孫大倫博士為本公司主席／行政總裁。董事會相信，由同一人擔任主席及行政總裁可為本公司提供強大而穩健之領導，並有效及具效益地規劃及實行業務決策及策略。

董事會認為，現時由同一人擔任主席及行政總裁之架構將不會損害董事會與本公司管理層間之權力及授權之平衡。

C. 董事委員會

董事會已成立兩個委員會，即薪酬委員會及審核委員會，以監督本公司事務之特定範疇。所有本公司之董事委員會訂有特定書面職權範圍。董事委員會之職權範圍可按股東要求查閱。

各董事委員會大部分成員為獨立非執行董事，各董事委員會主席及成員之名單載於「公司資料」內。

董事委員會就履行其職責提供充裕資源，並應合理要求，在適當情況下徵詢獨立專業意見，費用由本公司承擔。

(1) 薪酬委員會

薪酬委員會由三名成員組成而大部份成員均為獨立非執行董事。

薪酬委員會主要目標包括就薪酬政策與架構及執行董事與高級管理層之薪酬待遇提供意見及批准。薪酬委員會亦負責就有關薪酬政策及架構之發展制定具透明度之程序，確保董事或其聯繫人士將不會參與決定其本身薪酬之決策，有關酬金將經參考個人及本公司表現以及市場慣例及條件後釐定。

According to current Board practice, any material transaction, which involves a conflict of interests for a substantial shareholder or a director, will be considered and dealt with by the Board at a duly convened Board meeting. The Company's Bye-laws also contain provisions requiring directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such directors or any of their associates have a material interest.

B. CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code Provision A.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

Dr Sun Tai Lun Dennis is the Chairman/Chief Executive Officer of the Company. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person provides the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies.

The Board considers that the current structure of vesting the roles of Chairman and Chief Executive Officer in the same person will not impair the balance of power and authority between the Board and the senior management of the Company.

C. BOARD COMMITTEES

The Board has established 2 committees, namely, the Remuneration Committee and Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees are available to shareholders upon request.

The majority of the members of each Board committees are independent non-executive directors and the list of the chairman and members of each Board committee is set out under "Corporate Information".

The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

(1) Remuneration Committee

The Remuneration Committee comprises three members and the majority of them are independent non-executive directors.

The primary objectives of the Remuneration Committee include making recommendations on and approving the remuneration policy and structure and remuneration packages of the executive directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions.

薪酬委員會一般於八月中舉行會議，以檢討薪酬政策及架構、釐定執行董事與高級管理層年度薪酬待遇以及其他相關事宜。人力資源部負責收集及管理人力資源數據，並向薪酬委員會作出推薦意見以供考慮。薪酬委員會將諮詢本公司主席及／或行政總裁有關薪酬政策及架構以及薪酬待遇之推薦意見。

截至2008年3月31日止年度內，薪酬委員會曾舉行一次會議，檢討本公司之薪酬政策及架構，以及執行董事與高級管理層於回顧年度之薪酬待遇。出席記錄如下：

Name of Directors 董事姓名		Attendance/Number of Meetings 出席率／會議舉行次數
孫大倫	Sun Tai Lun Dennis	1/1
區文中	Au Man Chung Malcolm	1/1
黃子欣	Wong Chi Yun Allan	1/1

(2) 審核委員會

審核委員會由四名獨立非執行董事（包括一名具備合適專業資格或會計或相關財務管理專業知識之獨立非執行董事）組成。概無審核委員會成員為本公司現任外聘核數師之前合夥人。

審核委員會主要職責包括以下各項：

- (a) 於呈交董事會前審閱財務報表及報告，並考慮合資格會計師、合規主任（如有）、內部核數師或外聘核數師提出之任何重大或非經常項目。
- (b) 經參考核數師進行之工作、其費用及委聘條款後，檢討與外聘核數師之關係，並就委任、續聘及罷免外聘核數師向董事會提出推薦意見。
- (c) 檢討本公司財務監控制度及內部監控制度以及相關程序是否足夠及有效。

The Remuneration Committee normally meets in mid August for reviewing the remuneration policy and structure and determination of the annual remuneration packages of the executive directors and the senior management and other related matters. The Human Resources Department is responsible for collection and administration of the human resources data and making recommendations to the remuneration committee for consideration. The Remuneration Committee will consult the Chairman and/or the Chief Executive Officer of the Company about these recommendations on remuneration policy and structure and remuneration packages.

The Remuneration Committee met once during the year ended 31 March 2008 and reviewed the remuneration policy and structure of the Company and remuneration packages of the executive directors and the senior management for the year under review. The attendance records are set out below:

(2) Audit Committee

The Audit Committee comprises four independent non-executive directors including one independent non-executive director who possesses the appropriate professional qualifications or accounting or related financial management expertise. None of the members of the Audit Committee is a former partner of the Company's existing external auditors.

The main duties of the Audit Committee include the following:

- (a) To review the financial statements and reports and consider any significant or unusual items raised by the qualified accountant, compliance officer (if any), internal auditor or external auditors before submission to the Board.
- (b) To review the relationship with the external auditors by reference to the work performed by the auditors, their fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditors.
- (c) To review the adequacy and effectiveness of the Company's financial controls system, and internal control system and associated procedures.

審核委員會於截至2008年3月31日止年度內曾舉行兩次會議，以審閱財務業績及報告、財務申報及遵例程序，管理層對本公司內部監控及風險管理檢討及過程之報告及重新聘任外聘核數師，出席記錄載列如下：

The Audit Committee held two meetings during the year ended 31 March 2008 to review the financial results and reports, financial reporting and compliance procedures, the report from the management on the Company's internal control and risk management review and process, and the re-appointment of the external auditors. The attendance records are set out below:

Name of Directors 董事姓名	Attendance/Number of Meetings 出席率／會議舉行次數
區文中	Au Man Chung Malcolm 2/2
李家暉	Li Ka Fai David 2/2
黃子欣	Wong Chi Yun Allan 1/2
劉暉	Liu Hui Allan 2/2

概無對本公司能否持續經營存有重大疑問之事件或條件相關之任何重大不明朗因素。

There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

審核委員會與董事會對甄選、委任、辭任或罷免外聘核數師意見一致。

The Audit Committee has the same view with the Board regarding the selection, appointment, resignation or dismissal of external auditors.

本公司截至2008年3月31日止年度之年度業績已由審核委員會核閱。

The Company's annual results for the year ended 31 March 2008 have been reviewed by the Audit Committee.

D. 進行證券交易之標準守則

本公司已就董事買賣本公司證券採納條款不寬鬆於上市規則附錄10所載上市公司董事進行證券交易之標準守則(「標準守則」)所載規定準則之本身操守準則(「本身守則」)。

D. MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct regarding director's dealings in the Company's securities (the "Own Code") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

經向全體董事具體查詢後，各董事確認，彼等於截至2008年3月31日止年度一直遵守本身守則及標準守則。

Specific enquiry has been made of all the directors and the directors have confirmed that they have complied with the Own Code and the Model Code throughout the year ended 31 March 2008.

守則條文第A.5.4條規定，董事會應就有關僱員進行本公司證券交易時可能得知本公司未公佈之價格敏感資料制定條款不寬鬆於標準守則之書面指引(「僱員書面指引」)。

Code Provision A.5.4 stipulates that the Board should establish written guidelines on no less exacting terms than the Model Code (the "Employees Written Guidelines") for relevant employees who are likely to be in possession of unpublished price-sensitive information of the Company in respect of their dealings in the securities of the Company.

本公司並未就僱員進行證券交易制定僱員書面指引，原因為本公司已具備有關程序，確保僅執行董事可能得知本公司未公佈之價格敏感資料，而彼等買賣本公司證券已受本身守則所規管。

The Company has not established Employees Written Guidelines for securities transactions by employees as procedures are in place to ensure that only the executive directors are likely to be in possession of unpublished price-sensitive information of the Company and their dealings in the securities of the Company are already governed by the Own Code.

E. 就財務報表之責任

根據上市規則及其他監管規定，董事會負責呈提持平之清晰易明的年度及中期報告評估、股價敏感公佈及其他披露。

E. RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price-sensitive announcements and other disclosures required under the Listing Rules and other regulatory requirements.

董事知悉其須負責編製本公司截至2008年3月31日止年度之財務報表。

The directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 March 2008.

管理層已於有需要時向董事會提供解釋及資料，以使董事會在知情情況下評估本公司之財務資料及狀況，以供董事會審批。

F. 外聘核數師及核數師之薪酬

本公司外聘核數師就有關其申報財務報表責任之聲明載於第43及44頁「獨立核數師報告」。

截至2008年3月31日止年度，本公司就核數服務支付外聘核數師之薪酬為港幣1,100,000元。

G. 內部監控

截至2008年3月31日止年度，董事會已檢討本集團內部監控制度之成效。檢討工作已涵蓋本集團之財務、營運、遵例及風險管理。

H. 投資者關係

本公司認為，與股東有效溝通對加強投資者與本集團的關係及令投資者更能了解本集團之業務表現及策略而言相當重要。本公司亦明察到保持公司資料透明度及適時披露公司資料之重要性，此舉將使股東及投資者作出最佳投資決定。

本公司股東大會為股東與董事會提供溝通機會。董事會主席、薪酬委員會及審核委員會主席，或其缺席則由各委員會其他成員及(如適用)獨立董事委員會可於股東大會回答提問。

本公司持續提升與其投資者之溝通及關係。指定高級管理層會定期與機構投資者及分析員保持對話，確保彼等緊握本公司最新發展。本公司會即時處理投資者查詢，並提供資料。投資人士如有任何查詢，可直接致函本公司之香港主要營業地點或電郵至enquiry@chinahkphoto.com.hk。

為促進有效溝通，本公司亦運作網站<http://www.chinahkphoto.com.hk/>，該網站載有本公司廣泛之業務發展及運作之資訊及最新資料、財務資料、企業管治常規及其他資料。

I. 股東權利

為保障股東權益與權利，本公司將就各重大事宜(包括選出個別董事)於股東大會提呈獨立決議案。

股東權利及於股東大會上要求就決議案按股數投票表決之程序載於本公司細則。有關要求按股數投票表決之權利及投票程序之詳情載於致股東之所有通函，並於會議期間闡釋。投票結果將於股東大會後之營業日於報章及在聯交所網站刊登。投票結果將於緊隨以投票方式表決之股東大會舉行後之營業日在報章發表，並於聯交所及本公司網站內刊載。

The management has provided such explanation and information to the Board as necessary to enable the Board to carry out an informed assessment of the financial information and position of the Company put to the Board for approval.

F. EXTERNAL AUDITORS AND AUDITORS' REMUNERATION

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the "Independent Auditors' Report" on pages 43 and 44.

The remuneration paid to the external auditors of the Company in respect of audit services for the year ended 31 March 2008 amounted to HK\$1,100,000.

G. INTERNAL CONTROLS

The Board has conducted a review of the effectiveness of the internal control system of the Group for the year ended 31 March 2008. The review has covered the financial, operational, compliance and risk management aspects of the Group.

H. INVESTOR RELATIONS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognizes the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to make the best investment decisions.

The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. The Chairman of the Board as well as chairmen of the Remuneration Committee and Audit Committee, or in their absence, other members of the respective committees, and where applicable, the independent Board committee, are available to answer questions at the shareholders' meetings.

The Company continues to enhance communications and relationships with its investors. Designated senior management maintains regular dialogue with institutional investors and analysts to keep them abreast of the Company's developments. Enquiries from investors are dealt with in an informative and timely manner. Investors may write directly to the Company at its principal place of business in Hong Kong or via email to enquiry@chinahkphoto.com.hk for any inquiries.

To promote effective communication, the Company maintains a website at <http://www.chinahkphoto.com.hk/> where extensive information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are posted.

I. SHAREHOLDER RIGHTS

To safeguard shareholder interests and rights, separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual directors.

The rights of shareholders and the procedures for demanding a poll on resolutions at shareholders' meetings are contained in the Company's Bye-laws. Details of such rights to demand a poll and the poll procedures are included in all circulars to shareholders and will be explained during the proceedings of meetings. Poll results will be published in newspapers and posted on the websites of the Stock Exchange and of the Company on the business day following the shareholders' meeting at which voting is taken on a poll.

Risk Management

風險管理

經營生意同時會帶來挑戰和風險。本集團的核心業務策略已制訂對付該等風險的措施並採取迅速回應的方法，避免對經營業績產生負面影響。

a. 控制銷售成本增加

雖然過去數年本集團已經進行過大型業務重整，集團仍面對滯銷存貨帶來的銷售成本持續上漲問題。為控制銷售成本，集團已經制訂多項會計政策及互相制衡方案。本集團希望通過平衡高利潤及低利潤產品比重，及提供更多元化的服務模式，以盡量減低此風險因素。

b. 對抗價格競爭的措施

競爭激烈顯然已成為影像市場的特點，加上移動電話的普及和更多功能，令競爭壓力更大。本集團預期，流動電話科技未來應會結合更多影像及攝錄智能，所引致的競爭會直接影響數碼相機及沖印服務業。

產品方面，零售價的下降、不限次數免費維修引致的可能成本，加上產品週期縮短，都可能對溢利造成負面影響。

為增加其競爭力，集團已實施簡單直接的管理架構，務求與瞬息萬變的數碼影像市場與時並進。

c. 內部管理制度

董事會負責有效實施及發展本集團之內部監控制度，以確保達成企業目標、財務報表之可靠性、營運順暢及風險管理。本集團採納香港會計師公會頒佈之準則及監控架構於本集團內建立監控制度及最佳應用守則。

董事會已就本集團之內部監控制度進行定期審視。截至2008年3月31日止年度，董事會已審視並滿意本集團現時之內部監控制度效能。

Running a business poses challenges and risks at the same time. The Group's core business strategies put in place measures which address these issues and adopt a responsive approach to avoid adverse impacts on our business performance.

a. Controlling the increased cost of sales

The Group is experiencing a continuous rise in the cost of sales as a result of slow-moving inventories despite a significant business relocation exercise during the past few years. To keep this under control, several accounting policies and cross-checking schemes have been put into place. We hope that by balancing high-margin and low-margin products, and by offering more diversified modes of services, we can minimise this risk factor.

b. Measures against price competition

It is clear that intense competition is now a feature of the imaging market. This is coupled with the popularity and increased functionality of mobile phones which creates an additional pressure. We anticipate that the competition posed by mobile phone technology which is likely to incorporate additional imaging and movie intelligence over time will directly affect digital camera and photo printing services.

Turning to products, the fall in retail prices and the hidden costs behind unlimited free repairs as well as the shortened product life cycles are all potential risks that have the capacity to adversely affect profit.

To increase its competitiveness, the Group has adopted a simple and straight-forward management structure that will help it keep abreast of the still-evolving digital imaging market.

c. Internal Control System

The Board is responsible for the effective implementation and development of the Group's internal control system to ensure the accomplishment of the corporate goals, reliability of the financial statements, smooth running of the operations as well as the risk management. The Group adopts the standards and control frameworks outlined by the Hong Kong Institute of Certified Public Accountants in establishing control systems and the best practice in our group.

The Board has conducted regular review of the Group's internal control system. For the year ended 31 March 2008, the Board has reviewed and is satisfied with the effectiveness of the Group's current internal control system in place.

Report of the Directors

董事會報告

董事會茲提呈本公司及本集團截至2008年3月31日止年度之董事會報告及已審核財務報表。

主要業務

本公司之主要業務為投資控股。附屬公司之主要業務包括推廣與經銷照相沖印產品、經營照相沖印零售門市，以及提供照相沖印產品技術服務。本集團之主要業務性質於年內並無重大變動。

財務資源

於回顧期內，本集團之財務狀況保持穩健。本集團於2008年3月31日之現金及銀行結餘約為港幣6.81億元，資產負債比率為零。年內錄得之貿易應收賬項為港幣1,300萬元，存貨則為港幣2,700萬元。

人力資源

本集團員工數目為371名(2007年：365名)，員工之酬金多數按照行業慣例釐訂，酬金包括公積金、保險及醫療福利。本集團亦有採納一個每年按照本集團及僱員表現而釐訂之非強制性花紅制度。

業績及股息

本集團截至2008年3月31日止年度之溢利以及本公司和本集團於當日之業務狀況載於本財務報表第45至106頁。

每股普通股港幣1仙(2007年：每股普通股港幣3.8仙)之中期股息以及每股普通股港幣2.8仙(2007年：無)之中期特別股息已於2008年1月30日派發。董事會建議向已於2008年8月15日註冊股份之股東派發本年度每股普通股港幣0.9仙(2007年：每股普通股港幣5.2仙)之末期股息及每股普通股港幣4.3仙(2007年：無)之末期特別股息。此建議已被納入財務報表中資產負債表內權益部分中之分配保留盈餘。

財務資料摘要

下文載列本集團最近五個財政年度之已公佈業績及資產、負債及少數股東權益，有關資料乃摘錄自己審核財務報表。本摘要並不構成已審核財務報表之部份。

The directors present their report and the audited financial statements of the Company and the Group for the year ended 31 March 2008.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries comprise the marketing and distribution of photographic developing, processing and printing products, the operations of retail photographic developing and processing shops and the provision of technical services for photographic developing and processing products. There were no significant changes in the nature of the Group's principal activities during the year.

FINANCIAL RESOURCES

The financial position of the Group remained sound and healthy during the period under review. As at 31 March 2008, the Group's cash and bank balances were approximately HK\$681 million with a zero gearing ratio. Trade receivables of HK\$13 million were recorded for the year, while inventory was HK\$27 million.

HUMAN RESOURCES

The Group had 371 employees (2007: 365), remunerated largely based on industry practice, including provident funds, insurance and medical benefits. The Group also adopted a discretionary bonus programme determined annually based upon the performance of the Group and the employees.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 March 2008 and the state of affairs of the Company and the Group as at that date are set out in the financial statements on pages 45 to 106.

An interim dividend of HK1 cent per ordinary share (2007: HK3.8 cents per ordinary share) and an interim special dividend of HK2.8 cents per ordinary share (2007: Nil) were paid on 30 January 2008. The directors recommended the payment of a final dividend of HK0.9 cent per ordinary share (2007: HK5.2 cents per ordinary share) and a special final dividend of HK4.3 cents per ordinary share (2007: Nil) in respect of the year to shareholders on the register of members on 15 August 2008. This recommendation has been incorporated in the financial statements as an allocation of retained profits within the equity section of the balance sheet.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and minority interests of the Group for the last five financial years, as extracted from the audited financial statements, is set out below. This summary does not form part of the audited financial statements.

業績	RESULTS	Year ended 31 March 截至3月31日止年度				
		2008 HK\$'000	2007 HK\$'000	2006 HK\$'000	2005 HK\$'000	2004 HK\$'000
收益	Revenue	322,618	827,204	1,250,595	1,232,828	1,395,111
本公司股權持有人應佔之 年度溢利/(虧損)	Profit/(loss) for the year attributable to equity holders of the Company	46,383	218,824	120,496	45,345	(61,647)

資產、負債及 少數股東權益	ASSETS, LIABILITIES AND MINORITY INTERESTS	As at 31 March 於3月31日				
		2008 HK\$'000	2007 HK\$'000	2006 HK\$'000	2005 HK\$'000	2004 HK\$'000
總資產	Total assets	1,194,589	1,238,177	1,120,163	1,132,014	1,231,110
總負債	Total liabilities	(120,701)	(113,292)	(144,505)	(131,878)	(148,008)
資產淨值	Net assets	1,073,888	1,124,885	975,658	1,000,136	1,083,102
少數股東權益	Minority interests	(15,922)	(16,087)	(16,176)	(16,073)	(16,313)
		1,057,966	1,108,798	959,482	984,063	1,066,789

物業、廠房及設備及投資物業

本公司及本集團在本年度之物業、廠房及設備變動詳情載於財務報表附註15及16。本集團投資物業之進一步詳情於第107至108頁。

股本及購股權

本公司法定或已發行股本於年內概無變動。本公司年內之股本及購股權詳情分別載於財務報表附註28及29。

優先購股權

本公司之細則或百慕達法例均無規定授予優先購股權致令本公司須向現有股東按持股比例發行新股。

購買、贖回或出售本公司之上市證券

年內本公司及其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

儲備

本公司及本集團在年內之儲備變動詳情分別載於財務報表附註30(b)及綜合權益變動表。

可分派儲備

於2008年3月31日，本公司根據百慕達1981年公司法(經修訂)的規定計算之可作派發儲備總額為港幣254,232,000元，其中約港幣10,474,000元及港幣50,045,000元分別擬用以派發本年度之末期股息及末期特別股息。此外，本公司股份溢價賬及資本贖回儲備分別為港幣478,773,000元及港幣1,619,000元亦可用以派發繳足股款之紅股。

慈善捐款

年內本集團的慈善捐款共達港幣375,400元。

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment, and investment properties of the Company and the Group during the year are set out in notes 15 and 16 to the financial statements, respectively. Further details of the Group's investment properties are set out on pages 107 to 108.

SHARE CAPITAL AND SHARE OPTIONS

There were no movements in either the Company's authorised or issued share capital during the year. Details of the Company's share capital and share options during the year are set out in notes 28 and 29 to the financial statements, respectively.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to the existing shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 30(b) to the financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2008, the Company's reserves available for distribution, calculated in accordance with the provisions of Companies Act 1981 of Bermuda (as amended), amounted to HK\$254,232,000, of which approximately HK\$10,474,000 and HK\$50,045,000 have been proposed as a final dividend and a final special dividend, respectively, for the year. In addition, the Company's share premium account and capital redemption reserve account of HK\$478,773,000 and HK\$1,619,000, respectively, may be distributed in the form of fully paid bonus shares.

CHARITABLE CONTRIBUTIONS

During the year, the Group made charitable contributions totalling HK\$375,400.

主要客戶及主要供應商

於回顧年內，本集團五位最大客戶及最大客戶之購貨額分別佔年內本集團營業額13.16%及3.49%。本集團五位最大供應商及最大之供應商分別佔年內本集團購貨總額約84.17%及77.95%。

並無本公司董事或其任何聯繫人士或董事所知任何擁有本公司已發行股本5%或以上之股東在本集團最大之五個客戶及供應商中擁有任何實益權益。

董事

本公司年內及截至本報告日期之董事如下：

執行董事：

孫大倫博士(主席)
吳玉華女士
鄧國棠先生
孫道弘先生

獨立非執行董事：

區文中先生
李家暉先生
劉暉先生
黃子欣博士
張昉女士 (於2007年8月20日辭任)

根據本公司細則第110條，區文中先生、鄧國棠先生及孫道弘先生將會告退，但願在下屆股東週年大會上膺選連任。

本公司已接獲所有獨立非執行董事就其獨立性發出之年度確認函，並於本報告日期仍然視彼等為獨立人士。

董事簡歷

本公司董事簡歷詳情載於年報第22至第24頁。

董事服務合約

本公司已與下列各董事訂立服務合約，向本集團提供管理服務：

孫大倫博士
孫道弘先生
吳玉華女士
鄧國棠先生

於2008年3月31日，服務合約期限尚餘12個月，任何一方均可向另一方提早3個月發出通知而終止合約。

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers and the largest customer accounted for 13.16% and 3.49% of the Group's total sales for the year, respectively. Purchases from the Group's five largest suppliers and the largest supplier accounted for approximately 84.17% and 77.95% of the Group's total purchases for the year, respectively.

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers and suppliers.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Dr Sun Tai Lun Dennis (*Chairman*)
Ms Ng Yuk Wah Eileen
Mr Tang Kwok Tong Simon
Mr Sun Tao Hung Stanley

Independent non-executive directors:

Mr Au Man Chung Malcolm
Mr Li Ka Fai David
Mr Liu Hui Allan
Dr Wong Chi Yun Allan
Ms Chiang Yun Rachel (*resigned on 20 August 2007*)

In accordance with bye-law 110 of the Company's bye-laws, Mr Au Man Chung Malcolm, Mr Tang Kwok Tong Simon and Mr Sun Tao Hung Stanley will retire and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received annual confirmations of independence from all independent non-executive directors, and as at the date of this report still considers them to be independent.

DIRECTORS' BIOGRAPHIES

Biographical details of the directors of the Company are set out on pages 22 to 24 of the annual report.

DIRECTORS' SERVICE CONTRACTS

The Company entered into a service contract with each of the following directors for the provision of management services by these directors to the Group:

Dr Sun Tai Lun Dennis
Mr Sun Tao Hung Stanley
Ms Ng Yuk Wah Eileen
Mr Tang Kwok Tong Simon

Each service contract has a remaining unexpired term of 12 months as at 31 March 2008 and is subject to termination by either party upon the giving of three months' notice to the other party thereafter.

除上述者外，擬於下屆股東週年大會上膺選連任之董事並無與本公司訂有本公司不能在一年內終止而不作賠償(法定賠償除外)之服務合約。

董事酬金

董事袍金須待股東於週年大會批准，方可作實。其他報酬乃按本公司董事會經考慮董事之職責、責任及表現及本集團之業績後釐定。

董事合約權益

年內並不存在本公司或其控股公司或其附屬公司參與本公司董事直接或間接擁有本集團業務重大權益之合約。

董事於股份及相關股份之權益及淡倉

於2008年3月31日，按照本公司根據證券及期貨條例第352條存置之登記冊所示，或本公司及香港聯合交易所有限公司(「聯交所」)根據上市發行人董事進行證券交易之標準守則(「標準守則」)以其他方式獲知會者，董事於本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股本及相關股份中擁有之權益及淡倉如下：

本公司普通股好倉：

Name of director	Notes	Number of shares held, capacity and nature of interest 持有股份數目、身份及權益性質				Total	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
		Directly beneficially owned 直接實益擁有	Founder of a trust 信託創辦人	Beneficiary of a trust 信託受益人			
Dr Sun Tai Lun Dennis 孫大倫博士	(i) & (ii)	1,000,000	700,034,214	11,242,000	712,276,214	61.20	
Ms Ng Yuk Wah Eileen 吳玉華女士		250,000	-	-	250,000	0.02	
Mr Tang Kwok Tong Simon 鄧國棠先生		400,000	-	-	400,000	0.03	
Mr Sun Tao Hung Stanley 孫道弘先生	(iii) & (iv)	-	-	711,276,214	711,276,214	61.12	

董事於本公司購股權之權益於財務報表附註29獨立披露。

Apart from the foregoing, no director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Company's board of directors with reference to directors' duties, responsibilities, performance and the results of the Group.

DIRECTORS' INTERESTS IN CONTRACTS

No director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its holding companies or subsidiaries was a party during the year.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2008, the interests and short positions of the directors in the share capital and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

Long positions in ordinary shares of the Company:

The interests of the directors in the share options of the Company are separately disclosed in note 29 to the financial statements.

相聯法團股份及相關股份之好倉：

Long positions in shares and underlying shares of associated corporations:

Name of director	Name of associated corporation	Relationship with the Company	Shares	Numbers of shares held 持有 股份數目	Capacity and nature of interest 身份及 權益性質	Percentage of the associated corporation's issued share capital 佔相聯法團已發行股本之百分比
董事姓名	相關法團名稱	與本公司關係	股份			
Dr Sun Tai Lun Dennis 孫大倫博士	Searich Group Limited	Company's intermediate holding company 本公司之中介控股公司	Ordinary shares (note (i))	25	Beneficiary of a trust	25
			普通股(附註(i))		信託之受益人	
	-ditto-	-ditto-	Ordinary shares (note (ii)) 普通股(附註(ii))	75	Founder of a trust 信託創辦人	75
	同上	同上				
				100		100
Dr Sun Tai Lun Dennis 孫大倫博士	Fine Products Limited	Company's ultimate holding company 本公司之最終控股公司	Ordinary shares (note (ii)) 普通股(附註(ii))	103,000,000	Founder of a trust 信託創辦人	100

附註：

Notes:

- (i) 孫大倫博士被視作合共擁有本公司11,242,000股股份之權益。該等股份由Dago Corporation直接持有。Dago Corporation為Trident Corporate Services (B.V.I.) Limited (作為代表孫大倫博士及其家族成員利益而設立之酌情信託The Dennis Family Trust之受託人身份)所擁有。Dago Corporation亦持有Searich Group Limited已發行股本25%。
- (ii) 由於孫大倫博士是The Sun Family Trust之創辦人，該信託持有Fine Products Limited之全部已發行股本，故孫大倫博士被視為擁有Fine Products Limited所持有之700,034,214股本公司股份之權益。Searich Group Limited之已發行股本75%由Fine Products Limited持有。Fine Products Limited及Searich Group Limited所持本公司權益之資料詳見下文「主要股東及其他個人股份及相關股份之權益」部份。
- (i) Dr Sun Tai Lun Dennis is deemed to be interested in a total of 11,242,000 shares in the Company directly held by Dago Corporation, which is owned by Trident Corporate Services (B.V.I.) Limited in its capacity as the trustee of The Dennis Family Trust, a discretionary trust established for the benefit of Dr Sun Tai Lun Dennis and his family members. Dago Corporation also holds 25% of the issued share capital of Searich Group Limited.
- (ii) Dr Sun Tai Lun Dennis is deemed to be interested in 700,034,214 shares in the Company held by Fine Products Limited by virtue of him being the founder of The Sun Family Trust which holds the entire issued share capital of Fine Products Limited. 75% of the issued share capital of Searich Group Limited is held by Fine Products Limited. Details of the interest of Fine Products Limited and Searich Group Limited in the Company can be found in the section "Substantial shareholders' and other persons' interests in shares and underlying shares" below.

(iii) 孫道弘先生被視作合共擁有本公司11,242,000股股份之權益。該等股份由Dago Corporation直接持有。Dago Corporation為Trident Corporate Services (B.V.I.) Limited (作為代表孫大倫博士及其家族成員(包括孫道弘先生)利益而設立之酌情信託The Dennis Family Trust之受託人身份)所擁有。Dago Corporation亦持有Searich Group Limited已發行股本25%。

(iv) 由於孫道弘先生是The Sun Family Trust之受益人，該信託持有Fine Products Limited之全部已發行股本，故孫大倫博士被視為擁有Fine Products Limited持有之700,034,214股本公司股份之權益。Searich Group Limited之已發行股本75%由Fine Products Limited持有。Fine Products Limited及Searich Group Limited所持本公司權益之資料詳見下文「主要股東及其他個人於股份及相關股份之權益」部份。

(iii) Mr Sun Tao Hung Stanley is deemed to be interested in a total of 11,242,000 shares in the Company directly held by Dago Corporation, which is owned by Trident Corporate Services (B.V.I.) Limited in its capacity as the trustee of The Dennis Family Trust, a discretionary trust established for the benefit of Dr Sun Tai Lun Dennis and his family members including Mr Sun Tao Hung Stanley. Dago Corporation also 25% of the issued share capital of Searich Group Limited.

(iv) Mr Sun Tao Hung Stanley is deemed to be interested in 700,034,214 shares in the Company held by Fine Products Limited by virtue of him being the beneficiary of The Sun Family Trust which holds the entire issued share capital of Fine Products Limited. 75% of the issued share capital of Searich Group Limited is held by Fine Products Limited. Details of the interest of Fine Products Limited and Searich Group Limited in the Company can be found in the section “Substantial shareholders’ and other persons’ interests in shares and underlying shares” below.

除上文所披露者外，於2008年3月31日，董事於本公司或其任何相聯法團之股份、相關股份或債權證中概無註冊擁有權益或淡倉，而須根據證券及期貨條例第XV部第352條須載入該條所述之登記冊內；或根據標準守則須知會本公司及聯交所。

董事收購股份或債權證之權利

除上文「董事於股份及相關股份之權益及淡倉」一節及財務報表附註29「購股權計劃」一節所露者外，年內並無董事或其各自之配偶或未成年兒女獲授可藉購入本公司之股份或債權證而獲益之權利。本公司、其任何控股公司或其附屬公司亦無訂立任何安排致使董事可收購任何其他法人團體之該等權利。

購股權計劃

本公司之購股權計劃詳情於財務報表附註29中獨立披露。

Save as disclosed above, as at 31 March 2008, none of the directors had registered an interest or short position in the shares and underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section “Directors’ interests and short positions in shares and underlying shares” above and in the section “Share option scheme” disclosures in note 29 to the financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its holding company or subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEMES

Details of the share option schemes of the Company are separately disclosed in note 29 to the financial statements.

主要股東及其他個人於股份及相關股份之權益及淡倉

於2008年3月31日，按照本公司根據證券及期貨條例第336條規定備存之權益登記冊所載，下列人士持有本公司股份及相關股份之權益及淡倉：

- (1) 有權行使或控制行使本公司任何股東大會上10%或以上之投票權之主要股東之好倉：

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2008, the following interests and short positions in the shares and the underlying shares of the Company, which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

- (1) Long positions of substantial shareholders who were entitled to exercise or control the exercise of 10% or more of the voting power at any general meeting of the Company:

Name of shareholder	Capacity and nature of interest	Number of ordinary shares held	Notes	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
股東名稱	身份及權益性質	持有普通股數目	附註	
Sun Tai Lun Dennis 孫大倫	Beneficial owner 實益擁有人	1,000,000		
	Beneficiary of a trust 信託受益人	11,242,000		
	Founder of a trust 信託創辦人	700,034,214		
		712,276,214		61.20
Fine Products Limited	Beneficial owner & interest of a controlled corporation 實益擁有人及受控法團權益	700,034,214	(i) & (ii)	60.15
Searich Group Limited	Beneficial owner 實益擁有人	600,034,214	(i) & (ii)	51.56
Trident Corporate Services (B.V.I.) Limited	Trustee 信託人	711,276,214	(i) & (ii)	61.12
Tang Sau Ying Betty 鄧秀英	Interest of spouse 配偶權益	712,276,214	(ii) & (iii)	61.20
Sun Tao Hung Stanley 孫道弘	Beneficiary of a trust 信託受益人	711,276,214	(iv)	61.12

主要股東及其他個人於股份及相關股份之權益及淡倉(續)

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

(2) 其他主要股東之好倉：

(2) Long positions of other substantial shareholders:

Name of shareholder	Capacity and nature of interest	Number of ordinary shares held	Notes	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
股東名稱	身份及權益性質	持有普通股數目	附註	
Allianz Aktiengesellschaft	Interest of a controlled corporation 受控法團權益	111,784,000		9.60
Allianz Finanzbeteiligungs GmbH	Interest of a controlled corporation 受控法團權益	111,784,000		9.60
Dresdner Bank Aktiengesellschaft	Interest of a controlled corporation 受控法團權益	111,784,000		9.60
Dresdner Bank Luxembourg S.A.	Interest of a controlled corporation 受控法團權益	111,784,000	(v)	9.60
Veer Palthe Voute NV	Interest of an investment manager 投資經理權益	111,784,000	(v)	9.60
Fung Kwok Lun William 馮國綸	Interest of a controlled corporation 受控法團權益	70,000,000	(vi) & (viii)	6.01
Li & Fung (Retailing) Limited 利豐(零售)有限公司	Beneficial owner 實益擁有人	70,000,000		6.01
Li & Fung (1937) Limited 利豐(1937)有限公司	Interest of a controlled corporation 受控法團權益	70,000,000		6.01
King Lun Holdings Limited	Interest of a controlled corporation 受控法團權益	70,000,000		6.01
J.P. Morgan Trust Company (Jersey) Limited	Trustee 信託人	70,000,000	(vii) & (viii)	6.01

附註：

Notes:

- (i) 該100,000,000股股份(佔本公司已發行股份之8.59%)由Fine Products Limited直接擁有。餘下之600,034,214股股份由Searich Group Limited擁有，而Fine Products Limited則擁有該公司已發行股本75%。Fine Products Limited為Trident Corporate Services (B.V.I.) Limited以The Sun Family Trust信託人身份所擁有。
- (ii) 該等權益已包括在孫大倫博士之權益之內。
- (iii) 鄧秀英女士被視為透過配偶孫大倫博士之權益而擁有712,276,214股本公司股份之權益。

- (i) 100,000,000 shares representing 8.59% of the Company's shares in issue are directly owned by Fine Products Limited. The remaining 600,034,214 shares are owned by Searich Group Limited, in which Fine Products Limited holds 75% of its issued share capital. Fine Products Limited is owned by Trident Corporate Services (B.V.I.) Limited in its capacity as the trustee of The Sun Family Trust.
- (ii) Such interests have been included as the interests of Dr Sun Tai Lun Dennis.
- (iii) Ms Tang Sau Ying Betty is deemed to be interested in 712,276,214 shares of the Company through the interests of her spouse, Dr Sun Tai Lun Dennis.

- (iv) 孫道弘先生憑藉其身為The Sun Family Trust及Dennis Family Trust之受益人被視為擁有合共711,276,214股本公司股份之權益。
- (v) Allianz Aktiengesellschaft之權益乃透過一系列受控法團而持有，即Allianz Finanzbeteiligungs GmbH (擁有81.1%)、Dresdner Bank Aktiengesellschaft、Dresdner Bank Luxembourg S.A.及Veer Palthe Voute NV。
- (vi) 馮國綸先生之權益乃透過一系列受控法團而持有，即利豐(零售)有限公司、利豐(1937)有限公司及King Lun Holdings Limited由馮國綸先生擁有50%)。
- (vii) J.P. Morgan Trust Company (Jersey) Limited之權益乃透過一系列受控法團而持有，即利豐(零售)有限公司、利豐(1937)有限公司及King Lun Holdings Limited (由J.P. Morgan Trust Company (Jersey) Limited擁有50%)。
- (viii) 上述附註(vi)及(vii)所述馮國綸先生及J.P. Morgan Trust Company (Jersey) Limited之權益指同一批本公司股份。
- (iv) Mr Sun Tao Hung Stanley is deemed to be interested in a total of 711,276,214 shares of the Company by virtue of him being a beneficiary of The Sun Family Trust and the Dennis Family Trust.
- (v) The interests of Allianz Aktiengesellschaft are held via a chain of controlled corporations namely Allianz Finanzbeteiligungs GmbH (81.1% owned), Dresdner Bank Aktiengesellschaft, Dresdner Bank Luxembourg S.A. and Veer Palthe Voute NV.
- (vi) The interests of Mr Fung Kwok Lun William are held via a chain of controlled corporations, namely Li & Fung (Retailing) Limited, Li & Fung (1937) Limited and King Lun Holdings Limited (which is 50% owned by Mr Fung Kwok Lun William).
- (vii) The interests of J.P. Morgan Trust Company (Jersey) Limited are held via a chain of controlled corporations, namely Li & Fung (Retailing) Limited, Li & Fung (1937) Limited and King Lun Holdings Limited (which is 50% owned by J.P. Morgan Trust Company (Jersey) Limited).
- (viii) The interests of Mr Fung Kwok Lun William and J.P. Morgan Trust Company (Jersey) Limited as mentioned in the above notes (vi) and (vii) refer to the same block of shares in the Company.

除上文所披露者外，於2008年3月31日，除本公司董事外(其權益載於「董事於股份及相關股份之權益及淡倉」一節)，概無其他人士於本公司股份或相關股份中擁有權益或淡倉而須根據證券及期貨條例第336條作出記錄。

Save as disclosed above, as at 31 March 2008, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

足夠公眾持股量

根據本公司公開可獲得之資料及據董事所知，於本報告日期公眾人士持有本公司已發行股本總額最少25%。

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

核數師

安永會計師事務所任滿告退，本公司於即將舉行之股東週年大會上提出有關重聘其為本公司核數師之決議案。

AUDITORS

Ernst & Young retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

董事會代表

ON BEHALF OF THE BOARD

孫大倫
主席

Sun Tai Lun Dennis
Chairman

香港
2008年6月26日

Hong Kong
26 June 2008

Independent Auditors' Report

獨立核數師報告



致中港照相器材集團有限公司股東
(於百慕達註冊成立之有限公司)

本核數師已審核列載於第45頁至106頁中港照相器材集團有限公司之財務報表，此財務報表包括於2008年3月31日之綜合及公司資產負債表與截至該日止年度之綜合損益表、綜合權益變動表和綜合現金流動表，以及主要會計政策概要及其他附註解釋。

董事就財務報表須承擔之責任

董事須負責根據香港會計師公會頒佈之香港財務報告準則及《香港公司條例》中有關披露資料之規定編製及真實而公平地列報該等財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關之內部控制，以使財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述；選擇和應用適當之會計政策；及按情況下作出合理之會計估計。

核數師之責任

本核數師之責任是根據我們之審核對該等財務報表作出意見。本核數師是按照百慕達1981年公司法第90條規定，僅向整體股東報告。除此以外，本核數師之報告書不可用作其他用途。本核數師概不就本報告書之內容，對任何其他人士負責或承擔法律責任。

本核數師已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求本核數師遵守道德規範，並規劃及執行審核，以合理確定此等財務報表是否不存有任何重大錯誤陳述。

To the shareholders of China-Hongkong Photo Products Holdings Limited

(Incorporated in Bermuda with limited liability)

We have audited the financial statements of China-Hongkong Photo Products Holdings Limited set out on pages 45 to 106, which comprise the consolidated and Company balance sheets as at 31 March 2008, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

Independent Auditors' Report

獨立核數師報告

審核涉及執行情序以獲取有關財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關之內部控制，以設計適當之審核程序，但並非為對公司之內部控制之效能發表意見。審核亦包括評價董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評價財務報表之整體列報方式。

本核數師相信，我們所獲得之審核憑證是充足和適當地為我們之審核意見提供基礎。

意見

本核數師認為，該等財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於2008年3月31日之財務狀況及 貴集團截至該日止年度之溢利及現金流量，並已按照《香港公司條例》中有關披露資料之規定妥為編製。

安永會計師事務所
執業會計師
香港中環
金融街8號
國際金融中心二期18樓

2008年6月26日

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2008 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Ernst & Young
Certified Public Accountants
18th Floor Two International Finance Centre
8 Finance street
Central, Hong Kong

26 June 2008

綜合損益表

截至2008年3月31日止年度

Consolidated Income Statement

Year ended 31 March 2008

		Notes 附註	2008 HK\$'000	2007 HK\$'000
收益	REVENUE	6	322,618	827,204
銷售成本	Cost of sales		(209,228)	(616,354)
溢利總額	Gross profit		113,390	210,850
其他收入及收益	Other income and gains	6	61,173	44,720
協議收入	Settlement income	7	–	140,400
銷售及分銷費用	Selling and distribution costs		(57,217)	(59,941)
廣告及市場推廣開支	Advertising and marketing expenses		(9,229)	(17,155)
行政開支	Administrative expenses		(59,974)	(84,919)
其他經營收入／ (開支)，淨額	Other operating income/ (expenses), net		4,122	(241)
除稅前溢利	PROFIT BEFORE TAX	8	52,265	233,714
稅項	Tax	11	(6,047)	(14,979)
本年度溢利	PROFIT FOR THE YEAR		46,218	218,735
歸屬於：	Attributable to:			
本公司股權持有人	Equity holders of the Company	12	46,383	218,824
少數股東權益	Minority interests		(165)	(89)
			46,218	218,735
股息	DIVIDENDS	13		
中期	Interim		11,638	44,225
中期特別	Interim special		32,587	–
擬派末期	Proposed final		10,474	60,519
擬派末期特別	Proposed final special		50,045	–
			104,744	104,744
本公司普通股股權 持有人應佔每股盈利	EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	14		
基本	Basic		HK3.99 cents 港仙	HK18.80 cents港仙
攤薄	Diluted		N/A 不適用	N/A不適用

綜合資產負債表

2008年3月31日

Consolidated Balance Sheet

31 March 2008

		Notes 附註	2008 HK\$'000	2007 HK\$'000
非流動資產	NON-CURRENT ASSETS			
物業、廠房及設備	Property, plant and equipment	15	41,907	50,434
投資物業	Investment properties	16	124,194	103,248
預付土地租賃開支	Prepaid land lease payments	17	3,062	3,271
商譽	Goodwill	18	35,878	35,878
租賃按金	Rental deposits	22	6,110	6,045
遞延稅項資產	Deferred tax assets	27	6,392	5,597
非流動資產總額	Total non-current assets		217,543	204,473
流動資產	CURRENT ASSETS			
存貨	Inventories	20	27,339	22,789
應收賬項及票據	Trade and bills receivables	21	13,005	18,601
預付款項、訂金及 其他應收賬項	Prepayments, deposits and other receivables	22	16,936	24,370
透過損益按公平值計算 之金融資產	Financial assets at fair value through profit or loss	23	236,792	–
可收回稅項	Tax recoverable		2,355	2,687
現金及現金等值項目	Cash and cash equivalents	24	680,619	965,257
流動資產總額	Total current assets		977,046	1,033,704
流動負債	CURRENT LIABILITIES			
應付賬項及票據	Trade and bills payables	25	21,334	16,609
應計負債及其他應付賬項	Accrued liabilities and other payables	26	64,319	88,320
流動負債總額	Total current liabilities		85,653	104,929
流動資產淨值	NET CURRENT ASSETS		891,393	928,775
總資產減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		1,108,936	1,133,248
非流動負債	NON-CURRENT LIABILITIES			
應計負債	Accrued liabilities	26	23,994	2,739
遞延稅項負債	Deferred tax liabilities	27	11,054	5,624
非流動負債總額	Total non-current liabilities		35,048	8,363
資產淨值	Net assets		1,073,888	1,124,885
權益	EQUITY			
本公司股權持有人 應佔權益	Equity attributable to equity holders of the Company			
已發行股本	Issued capital	28	116,383	116,383
儲備	Reserves	30(a)	881,064	931,896
擬派末期股息	Proposed final dividend	13	10,474	60,519
擬派末期特別股息	Proposed final special dividend	13	50,045	–
			1,057,966	1,108,798
少數股東權益	Minority interests		15,922	16,087
總權益	Total equity		1,073,888	1,124,885

孫大倫
主席
Sun Tai Lun Dennis
Chairman

吳玉華
董事
Ng Yuk Wah Eileen
Director

綜合權益變動表

截至2008年3月31日止年度

Consolidated Statement of Changes in Equity

Year ended 31 March 2008

		Attributable to equity holders of the Company									
		本公司股權持有人應佔									
		Share	Capital	Exchange	Asset	Proposed			Minority	Total	
Notes	Issued	premium	redemption	fluctuation	revaluation	Retained	final	Total	interests	equity	
附註	已發行	溢價賬	贖回儲備	匯率	資產	保留溢利	擬派末期	總計	少數	權益	
	股本	溢價賬	贖回儲備	變動儲備	重估儲備	保留溢利	股息	總計	股東權益	總額	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
於2006年4月1日	At 1 April 2006	116,383	478,773	1,619	(2,637)	-	316,463	48,881	959,482	16,176	975,658
匯兌調整	Exchange realignment	-	-	-	2,924	-	-	-	2,924	-	2,924
土地及樓宇重估盈餘 (扣除遞延稅項)	Revaluation surplus on land and buildings, net of deferred tax	-	-	-	-	20,674	-	-	20,674	-	20,674
直接在權益確認之收入 與支出總額	Total income and expense recognised directly in equity	-	-	-	2,924	20,674	-	-	23,598	-	23,598
年內溢利	Profit for the year	-	-	-	-	218,824	-	218,824	(89)	218,735	
年內收入及支出總額	Total income and expense for the year	-	-	-	2,924	20,674	218,824	-	242,422	(89)	242,333
已付2006年末期股息	2006 final dividend paid	-	-	-	-	-	(48,881)	(48,881)	-	(48,881)	
已付2007年中期股息	2007 interim dividend paid	13	-	-	-	-	(44,225)	(44,225)	-	(44,225)	
擬派2007年末期股息	2007 proposed final dividend	13	-	-	-	-	(60,519)	60,519	-	-	
於2007年3月31日及2007年4月1日	At 31 March 2007 and 1 April 2007	116,383	478,773	1,619	287	20,674	430,543	60,519	1,108,798	16,087	1,124,885
匯兌調整	Exchange realignment	-	-	-	2,279	-	-	-	2,279	-	2,279
直接在權益確認之收入 與支出總額	Total income and expense recognised directly in equity	-	-	-	2,279	-	-	-	2,279	-	2,279
年內溢利	Profit for the year	-	-	-	-	46,383	-	46,383	(165)	46,218	
年內收入及支出總額	Total income and expense for the year	-	-	-	2,279	-	46,383	-	48,662	(165)	48,497
撤銷附屬公司註銷時解除 之儲備	Release of reserve upon deregistration of subsidiaries	-	-	-	5,250	-	-	-	5,250	-	5,250
已付2007年末期股息	2007 final dividend paid	13	-	-	-	-	(60,519)	(60,519)	-	(60,519)	
已付2008年中期股息	2008 interim dividend paid	13	-	-	-	-	(11,638)	(11,638)	-	(11,638)	
已付2008年中期特別股息	2008 interim special dividend paid	13	-	-	-	-	(32,587)	(32,587)	-	(32,587)	
擬派2008年末期股息	2008 proposed final dividend	13	-	-	-	-	(10,474)	10,474	-	-	
擬派2008年末期特別股息	2008 proposed final special dividend	13	-	-	-	-	(50,045)	50,045	-	-	
於2008年3月31日	At 31 March 2008	116,383	478,773	1,619	7,816	20,674	372,182	60,519	1,057,966	15,922	1,073,888

* 此等儲備賬包括於綜合資產負債表之綜合儲備港幣881,064,000元(2007年:港幣931,896,000元)。

* These reserve accounts comprise the consolidated reserves of HK\$881,064,000 (2007: HK\$931,896,000) in the consolidated balance sheet.

綜合現金流動表

截至2008年3月31日止年度

Consolidated Cash Flow Statement

Year ended 31 March 2008

	Notes 附註	2008 HK\$'000	2007 HK\$'000
經營業務之現金流動	CASH FLOWS FROM OPERATING ACTIVITIES		
除稅前溢利	Profit before tax	52,265	233,714
經下列調整：	Adjustments for:		
利息收入	Interest income	(31,283)	(31,508)
出售聯營公司收益	Gain on disposal of an associate	–	(6,774)
透過損益按公平值 計算之金融資產 之公平值收益	Fair value gain on financial assets at fair value through profit or loss	(5,132)	–
折舊	Depreciation	16,839	18,852
確認預付土地租金	Recognition of prepaid land lease payments	209	690
出售物業、廠房及 設備項目之 (收益)/虧損	(Gain)/loss on disposal of items of property, plant and equipment	294	(354)
物業、廠房及設備項目 減值回撥	Reversal of impairment of items of property, plant and equipment	–	(3,102)
應收賬項及票據減值/ (減值回撥), 淨額	Impairment/(write-back of impairment) of trade and bills receivables, net	(1,807)	1,293
應收賬項及票據撇銷	Write-off of trade and bills receivables	1,148	–
預付款項、訂金及 其他應收賬項撇銷	Write-off of prepayments, deposits and other receivables	1,889	–
其他應收賬項減值	Impairment on an other receivable	–	1,000
存貨撥備回撥	Write-back of provision against inventories	(267)	(28,692)
應付賬項及票據回撥	Write-back of trade and bills payables	(2,501)	–
應計負債及其他應 付賬項回撥	Write-back of accrued liabilities and other payables	(2,595)	–
投資物業公平值變動	Changes in fair value of investment properties	(19,076)	2,972
		9,983	188,091
存貨之(增加)/減少	(Increase)/decrease in inventories	(4,283)	149,449
應收賬項及票據之減少	Decrease in trade and bills receivables	6,255	66,803
租賃按金、預付款項、 訂金及其他應 收賬項之減少	Decrease in rental deposits, prepayments, deposits and other receivables	5,480	1,371
應付賬項及票據之 增加/(減少)	Increase/(decrease) in trade and bills payables	7,226	(33,227)
應計負債及其他應付 賬項之增加/(減少)	Increase/(decrease) in accrued liabilities and other payables	(151)	5,567
經營業務所得現金	Cash generated from operations	24,510	378,054
已付香港所得稅	Hong Kong profits tax paid	(970)	(15,519)
已付海外稅項	Overseas taxes paid	(110)	(2,634)
經營業務之現金流入淨額	Net cash inflow from operating activities	23,430	359,901

綜合現金流動表(續)

Consolidated Cash Flow Statement (Continued)

截至2008年3月31日止年度

Year ended 31 March 2008

	Notes 附註	2008 HK\$'000	2007 HK\$'000
經營業務之現金流入淨額	Net cash inflow from operating activities	23,430	359,901
投資活動之現金流動	CASH FLOWS FROM INVESTING ACTIVITIES		
已收利息	Interest received	31,283	31,508
購入物業、廠房及設備項目	Purchases of items of property, plant and equipment	(7,327)	(8,853)
出售物業、廠房及設備項目所得款項	Proceeds from disposal of items of property, plant and equipment	128	1,699
出售聯營公司所得款項	Proceeds from disposal of an associate	–	16,381
購買透過損益按公平值計算之金融資產	Purchase of financial assets at fair value through profit or loss	(231,660)	–
於購入時原到期日起超過三個月之無抵押銀行存款(增加)/減少	(Increase)/decrease in non-pledged bank deposits with original maturity of more than three months when acquired	315,390	(566,470)
投資活動之現金流入/(流出)淨額	Net cash inflow/(outflow) from investing activities	107,814	(525,735)
融資活動之現金流動	CASH FLOW FROM A FINANCING ACTIVITY		
已付股息及融資活動之現金流出	Dividends paid and cash outflow from a financing activity	(104,744)	(93,106)
現金及現金等值項目之增加/(減少)淨額	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	26,500	(258,940)
年初現金及現金等值項目	Cash and cash equivalents at beginning of year	336,688	594,106
匯率變動之淨影響	Effect of foreign exchange rate changes, net	4,252	1,522
年終現金及現金等值項目	CASH AND CASH EQUIVALENTS AT END OF YEAR	367,440	336,688
現金及現金等值項目結餘分析	ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
現金及銀行結餘	Cash and bank balances	42,520	66,212
於購入時原到期日少於三個月內到期之無抵押定期存款	Non-pledged time deposits with original maturity of less than three months when acquired	324,920	270,476
		367,440	336,688

資產負債表

2008年3月31日

Balance Sheet

31 March 2008

		Notes 附註	2008 HK\$'000	2007 HK\$'000
非流動資產	NON-CURRENT ASSETS			
附屬公司權益	Interests in subsidiaries	19	793,043	795,225
流動資產	CURRENT ASSETS			
應收附屬公司欠款	Due from a subsidiary	19	60,519	60,519
其他應收賬項	Other receivables	22	234	216
現金及現金等值項目	Cash and cash equivalents	24	599	383
流動資產總值	Total current assets		61,352	61,118
流動負債	CURRENT LIABILITIES			
應計負債及其他應付賬項	Accrued liabilities and other payables	26	3,388	3,946
流動資產淨值	NET CURRENT ASSETS		57,964	57,172
資產淨值	Net assets		851,007	852,397
權益	EQUITY			
已發行股本	Issued capital	28	116,383	116,383
儲備	Reserves	30(b)	674,105	675,495
擬派末期股息	Proposed final dividend	13	10,474	60,519
擬派末期特別股息	Proposed final special dividend	13	50,045	–
總權益	Total equity		851,007	852,397

孫大倫
主席
Sun Tai Lun Dennis
Chairman

吳玉華
董事
Ng Yuk Wah Eileen
Director

1. 公司資料

中港照相器材集團有限公司為一間於百慕達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。本公司之主要營業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、經營照相沖印零售門市，以及提供照相沖印產品技術服務。

董事會認為，本公司的控股公司及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(亦包括所有香港財務報告準則、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。除投資物業及透過損益按公平值計算之金融資產乃按公平值計量外，財務報表採用歷史成本法編製。本財務報表乃以港幣呈報，除非另有註明，所有數值四捨五入至最接近之千位。

綜合基準

本綜合財務報表包括本公司及其附屬公司(下文統稱「本集團」)截至2008年3月31日止年度之財務報表。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並非由本集團持有之權益。

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, the operations of retail photographic developing and processing shops and the provision of technical services for photographic developing and processing products.

In the opinion of the directors, the holding company and the ultimate holding company of the Company is Fine Products Limited, which is a company 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 include all Hong Kong Financial Reporting Standards, 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 and financial assets at fair value through profit or loss, which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2008. 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 not held by the Group in the results and net assets of the Company's subsidiaries.

2.2 新訂及經修訂之香港財務報告準則之影響

本集團已於本年度之財務報表首次採納下列新訂及經修訂之香港財務報告準則。除某些特定情形需要採用新訂及經修訂的會計政策及額外披露外，採納此等新訂及經修訂準則及詮釋對本財務報表並無重大影響。

香港財務報告準則第7號 金融工具：披露

香港會計準則第1號之修改 資本披露

香港(國際財務報告
詮釋委員會)－
詮釋第8號 香港財務報告
準則第2號
之範圍

香港(國際財務報告
詮釋委員會)－
詮釋第9號 內置衍生工具之
重新評估

香港(國際財務報告
詮釋委員會)－
詮釋第10號 中期財務報告
及減值

香港(國際財務報告
詮釋委員會)－
詮釋第11號 香港財務報告
準則第2號－
集團及庫存
股份交易

採納該等新訂及經修訂香港財務報告準則之
主要影響如下：

(a) 香港財務報告準則第7號「金融工具：披露」

該準則規定之披露可使財務報表之使用者對本集團之金融工具之重要性及該等金融工具產生之風險之性質及程度作出評估。新披露應用於整個財務報表。儘管該披露對本集團之財務狀況或營運業績並無影響，在適當處比較資料均已提供／修改列示。

(b) 香港會計準則第1號之修改「財務報表之呈列－資本披露」

該修訂規定本集團作出新披露，可使財務報表之使用者對本集團資本管理的目標、政策及程序作出評估。該等新增披露於財務報表附註36列示。

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new and revised standards and interpretations have had no material effect on these financial statements.

HKFRS 7 Financial Instruments: Disclosures

HKAS 1 Amendment Capital Disclosures

HK(IFRIC)-Int 8 Scope of HKFRS 2

HK(IFRIC)-Int 9 Reassessment of Embedded Derivatives

HK(IFRIC)-Int 10 Interim Financial Reporting and Impairment

HK(IFRIC)-Int 11 HKFRS 2 – Group and Treasury Share Transactions

The principal effects of adopting these new revised HKFRSs are as follows:

(a) HKFRS 7 “Financial Instruments: Disclosures”

This standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments. The new disclosures are included throughout the financial statements. While there has been no effect on the financial position or results of operations of the Group, comparative information has been included/revised where appropriate.

(b) Amendment to HKAS 1 “Presentation of Financial Statements – Capital Disclosures”

This amendment requires the Group to make new disclosures that enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital. These new disclosures are shown in note 36 to the financial statements.

2.2 新訂及經修訂之香港財務報告準則之影響(續)**(c) 香港(國際財務報告詮釋委員會)－詮釋第8號「香港財務報告準則第2號之範圍」**

該詮釋規定香港財務報告準則第2號應用於任何本集團不能具體識別若干或所有已收之貨物或服務之安排，而本集團將因該等安排授予權益工具或產生負債(以本集團權益工具之價值為基準)作為代價，且該等安排所收之貨物或服務所示價中少於所授出權益工具或所產生負債之公平值。由於本公司根據本公司之購股權計劃僅就所提供之已識別服務向本集團僱員發行權益工具，故此該詮釋對本財務報表並無影響。

(d) 香港(國際財務報告詮釋委員會)－詮釋第9號「內置衍生工具之重新評估」

該詮釋要求當集團初次成為合同一方時就評估一個內置的衍生工具是否要從主合同中分開並作為衍生工具列賬的日期，且僅在合同出現大幅修改現金流量的變動時進行重新評估。鑒於本集團沒有從主合同中分離的內置衍生工具，故此詮釋對本財務報表並無影響。

(e) 香港(國際財務報告詮釋委員會)－詮釋第10號「中期財務報告及減值」

本集團於2007年4月1日採用該詮釋，其規定於過往中期就有關商譽或於歸類為可供出售之權益工具或以成本入賬之財務資產內之投資確認之減值虧損不得於其後撥回。由於本集團過往並無就該等資產撥回減值虧損，該詮釋不會對本集團之財務狀況及營運業績產生影響。

(f) 香港(國際財務報告詮釋委員會)－詮釋第11號「香港財務報告準則第2號－集團及庫存股份交易」

該詮釋規定僱員獲授本集團權益工具之權利安排應以權益結算之計劃作會計處理，即使本集團是向另一方獲得工具或股東提供所需之權益工具。該詮釋亦註明涉及本集團內兩個或以上實體之以股份支付交易之會計處理方法。由於目前本集團根據任何一個購股權計劃授出但無未行使之購股權，故此詮釋對此等財務報表並無影響。

2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)**(c) HK(IFRIC)-Int 8 “Scope of HKFRS 2”**

This interpretation requires HKFRS 2 to be applied to any arrangement in which the Group cannot identify specifically some or all of the goods or services received, for which equity instruments are granted or liabilities (based on a value of the Group’s equity instruments) are incurred by the Group for a consideration, and which appears to be less than the fair value of the equity instruments granted or liabilities incurred. As the Company has only issued equity instruments to the Group’s employees for identified services provided in accordance with the Company’s share option schemes, the interpretation has had no effect on these financial statements.

(d) HK(IFRIC)-Int 9 “Reassessment of Embedded Derivatives”

This interpretation requires that the date to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative is the date that the Group first becomes a party to the contract, with reassessment only if there is a change to the contract that significantly modifies the cash flows. As the Group has no embedded derivative requiring separation from the host contract, the interpretation has had no effect on these financial statements.

(e) HK(IFRIC)-Int 10 “Interim Financial Reporting and Impairment”

The Group has adopted this interpretation as of 1 April 2007, which requires that an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument classified as available-for-sale or a financial asset carried at cost is not subsequently reversed. As the Group had no impairment losses previously reversed in respect of such assets, the interpretation has had no impact on the financial position or results of operations of the Group.

(f) HK(IFRIC)-Int 11 “HKFRS 2 – Group and Treasury Share Transactions”

This interpretation requires arrangements whereby an employee is granted rights to the Group’s equity instruments to be accounted for as an equity-settled scheme, even if the Group acquires the instruments from another party, or the shareholders provide the equity instruments needed. This interpretation also addresses the accounting for share-based payment transactions involving two or more entities within the Group. As the Group has no outstanding share options granted under either share option scheme, the interpretation has had no effect on these financial statements.

2.3 已頒佈但尚未生效的香港財務報告準則的影響

本集團並無於此等財務報表內採用下列已頒佈但尚未生效的新訂和經修訂的香港財務報告準則。

香港財務報告準則
第2號之修改 以股份為基礎之付款－
歸屬條件及註銷¹

香港財務報告準則
第3號(經修訂) 業務合併²

香港財務報告準則
第8號 經營分部¹

香港會計準則
第1號(經修訂) 財務報表之呈列¹

香港會計準則
第23號(經修訂) 借貸成本¹

香港會計準則
第27號(經修訂) 綜合及獨立財務報表²

香港會計準則
第32號及香港
會計準則
第1號之修改 可沽售金融工具
及清盤時產生
之責任¹

香港(國際財務報告
詮釋委員會)－
詮釋第12號 服務特許安排³

香港(國際財務報告
詮釋委員會)－
詮釋第13號 客戶忠誠計劃⁴

香港(國際財務報告
詮釋委員會)－
詮釋第14號 香港會計準則第19號－
界定福利資產之
限制、最低資金
要求及彼等之
互動關係³

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.

HKFRS 2 Amendment Share-based Payments – Vesting
Conditions and Cancellation¹

HKFRS 3 (Revised) Business Combinations²

HKFRS 8 Operating Segments¹

HKAS 1 (Revised) Presentation of Financial Statements¹

HKAS 23 (Revised) Borrowing costs¹

HKAS 27 (Revised) Consolidated and Separate Financial
Statements²

HKAS 32
and HKAS 1
Amendments Puttable Financial Instruments and
Obligations Arising
on Liquidation¹

HK(IFRIC)-Int 12 Service Concession Arrangements³

HK(IFRIC)-Int 13 Customer Loyalty Programmes⁴

HK(IFRIC)-Int 14 HKAS 19 – The Limit on a Defined
Benefit Asset, Minimum Funding
Requirements and their Interaction³

2.3 已頒佈但尚未生效的香港財務報告準則的影響(續)

- ¹ 自2009年1月1日或以後開始之年度期間生效
- ² 自2009年7月1日或以後開始之年度期間生效
- ³ 自2008年1月1日或以後開始之年度期間生效
- ⁴ 自2008年7月1日或以後開始之年度期間生效

香港財務報告準則第2號之修改就「歸屬條件」作出明確界定，並訂明對方「註銷」以股份為基礎之安排之會計處理方法。

香港財務報告準則第3號(經修訂)對業務及業務合併之定義作出修訂，並對釐定一組資產何時構成一項業務加入新指引。其亦明確指出收購人應如何對於業務合併中所收購之可識別資產及所承擔之負債進行分類、指派或評估。

香港財務報告準則第8號(其將取代香港會計準則第14號「分部報告」)訂明一間實體應如何根據該實體各組成部分可供主要經營決策者用於分配資源予有關分部及評估其表現之資料，報告有關其經營分部之資料。該項準則亦要求披露有關分部所提供產品及服務、本集團經營所在的地區以及從本集團主要客戶賺取收入之資料。本集團預期由2009年1月1日起採納香港財務報告準則第8號。

修訂後之香港會計準則第1號對實體擁有人變動及綜合收入之呈報構成影響。此經修訂準則將使用「財務狀況報表」及「現金流量報表」取代「資產負債表」及「現金流量表」，以表述一組完整的財務報表內的兩個報表作參考。此外，此準則引進綜合收入報表：其可以單一報表方式或兩份相連報表呈列所有透過損益確認之收入及支出項目，連同所有其他已確認之收入及支出項目。

修訂後之香港會計準則第23號規定將收購、建造或生產合資格資產直接應佔之借貸成本資本化。由於本集團現時有關借貸成本之政策與是項經修訂準則之規定一致，是項經修訂準則應不會對本集團構成任何財務影響。

修訂後之香港會計準則第27號加入「非控股股東權益」之新詞彙取代「少數股東權益」，並要求不會導致母公司於附屬公司中失去控制權之擁有權益變動必須以股權交易入賬。其亦訂明實體失去附屬公司控制權所產生之任何損益之計量方法。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

- ¹ Effective for annual periods beginning on or after 1 January 2009
- ² Effective for annual periods beginning on or after 1 July 2009
- ³ Effective for annual periods beginning on or after 1 January 2008
- ⁴ Effective for annual periods beginning on or after 1 July 2008

Amendment to HKFRS 2 clarifies the definition of “vesting conditions” and specifies the accounting treatment of “cancellations” by the counterparty to a share-based arrangement.

HKFRS 3 (Revised) amended the definition of a business and a business combination and additional guidance was added for identifying when a group of assets constitutes a business. It also clarifies how the acquirer makes any classifications, designations or assessments for the identifiable assets acquired and liabilities assumed in a business combination.

HKFRS 8, which will replace HKAS 14 “Segment Reporting”, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group’s major customers. The Group expects to adopt HKFRS 8 from 1 January 2009.

HKAS 1 has been revised to affect the presentation of owner changes in equity and comprehensive income. The revised standard will use “statement of financial position” and “statement of cash flows” to replace the titles “balance sheet” and “cash flow statement”, and in making reference to these two statements within a complete set of financial statements. In addition, this standard introduces the statement of comprehensive income: it presents all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements.

HKAS 23 has been revised to require capitalisation of borrowing costs when such costs are directly attributable to the acquisition, construction or production of a qualifying asset. As the Group’s current policy for borrowing costs aligns with the requirements of the revised standard, the revised standard is unlikely to have any financial impact on the Group.

HKAS 27 has been revised to add new term “non-controlling interest” to replace the term “minority interest”, and required the changes in a parent’s ownership interest in a subsidiary that do not result in the loss of control must be accounted for as equity transactions. It also specifies how an entity measures any gain or loss arising on the loss of control of a subsidiary.

2.3 已頒佈但尚未生效的香港財務報告準則的影響(續)

香港會計準則第32號及香港會計準則第1號之修改容許實體將彼等之資本確認為權益而非金融負債，並規定需就分類為權益之可沽售金融工具作出額外披露。是項修改重申金融負債之定義中存在有限範圍之例外情況，且不應就是項規定作出類推。

香港(國際財務報告詮釋委員會) - 詮釋第12號規定公共及私人服務特許權安排項下之營運商須根據合約安排的條款，將用作換取建造服務的已收或應收代價確認為金融資產及/或無形資產。香港(國際財務報告詮釋委員會) - 詮釋第12號亦說明，對於政府或公共部門實體就建造用作提供公共服務及/或供應公共服務之基本建設授出合約之服務特許權安排，營運商應如何應用現行香港財務報告準則，將彼該等安排所產生之責任及權利入賬。

香港(國際財務報告詮釋委員會) - 詮釋第13號規定，作為銷售交易一部分授予之客戶忠誠獎勵，須作為銷售交易之獨立部分入賬。在銷售交易中之所收代價乃於忠誠獎勵及其他銷售部分間作出分配。分配予忠誠獎勵之金額乃參考其公平值釐定，並會遞延直至該獎勵獲贖回或負債已獲清償。

香港(國際財務報告詮釋委員會) - 詮釋第14號註明如何根據香港會計準則第19號「僱員福利」，評估一項可確認為資產之定額福利計劃(特別是存在最低資金規定時)在未來供款時退款或扣減之限額。

本集團並無於截至2008年3月31日止年度之財務報表內提早採納此等新訂香港財務報告準則。本集團已開始評估此等新香港財務報告準則之影響，惟亦未能釐定此等新訂及經修訂香港財務報告準則會否對其營運業績、財務狀況及綜合財務報表之呈列構成重大影響。

2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

HKAS 32 and HKAS 1 Amendments permitted a range of entities to recognise their capital as equity rather than as financial liabilities, and required additional disclosures for puttable financial instruments classified as equity. The amendment reinforces that this is a limited scope exception to the definition of a financial liability and no analogies should be made to its requirements.

HK(IFRIC)-Int 12 requires an operator under public-to-private service concession arrangements to recognise the consideration received or receivable in exchange for the construction services as a financial asset and/or an intangible asset, based on the terms of the contractual arrangements. HK(IFRIC)-Int 12 also addresses how an operator shall apply existing HKFRSs to account for the obligations and the rights arising from service concession arrangements by which a government or a public sector entity grants a contract for the construction of infrastructure used to provide public services and/or for the supply of public services.

HK(IFRIC)-Int 13 requires that loyalty award credits granted to customers as part of a sales transaction are accounted for as a separate component of the sales transaction. The consideration received in the sales transaction is allocated between the loyalty award credits and the other components of the sale. The amount allocated to the loyalty award credits is determined by reference to their fair value and is deferred until the awards are redeemed or the liability is otherwise extinguished.

HK(IFRIC)-Int 14 addresses how to assess the limit under HKAS 19 "Employee Benefits", on the amount of a refund or a reduction in future contributions in relation to a defined benefit scheme that can be recognised as an asset, in particular, when a minimum funding requirement exists.

The Group has not early adopted these new HKFRSs in the financial statements for the year ended 31 March 2008. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a significant impact on its results of operations and financial position and presentation of consolidated financial statements.

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。

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。

如本集團直接或間接擁有合營企業單方面控制權，合營企業會視作附屬公司。

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值淨額之權益超出之數額。

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。本集團於3月31日進行商譽之年度減值測試。

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。

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

The joint venture agreement between the venturers stipulates the capital contributions of the joint venture parties, the duration of the joint venture entity and the basis on which the assets are to be realised upon its dissolution. The profits and losses from the joint venture'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 subsidiary, if the Group has unilateral control, directly or indirectly, over the joint venture.

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 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. The Group performs its annual impairment test of goodwill as at 31 March.

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.

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。就商譽確認之減值虧損不會於往後期間回撥。

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。

非金融資產減值(商譽除外)

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、遞延稅項資產、金融資產、投資物業及商譽除外),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內與減值資產功能一致的開支類別扣除,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. An impairment loss recognised for goodwill is not reversed in a subsequent period.

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.

Impairment of non-financial assets other than goodwill

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 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 in those expense categories consistent with the function of the impaired asset, 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)**非金融資產減值(商譽除外)(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(商譽除外)減值虧損僅會於用以釐定資產可收回金額之估計改變時回撥，惟回撥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)。減值虧損之回撥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回撥入賬。

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，或受到本集團控制或與本集團受共同控制；(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) 有關人士為本集團或其母公司主要管理人員；
- (c) 有關人士為(a)或(b)項所述人士之直系親屬；
- (d) 有關人士受直接或間接歸屬於(b)或(c)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
- (e) 有關人士乃為本集團或屬其關連人士之任何實體之僱員之利益而設之退休福利計劃。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Impairment of non-financial assets other than goodwill***(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, but 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.

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 a member of the key management personnel of the Group or its parent;
- (c) the party is a close member of the family of any individual referred to in (a) or (b);
- (d) 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 (b) or (c); or
- (e) 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.

3. 主要會計政策撮要(續)**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擬訂用途之運作狀態及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扣除。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。

估值乃於物業、廠房及設備轉撥至投資物業時進行。

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
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傢俬、裝置及 租賃物業裝修	20%至33 ¹ / ₃ %
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機器及設備	20%
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汽車	20%
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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。

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

Valuations are performed upon the transfer from property, plant and equipment to investment properties.

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
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Furniture, fixtures and leasehold improvements	20% to 33 ¹ / ₃ %
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Machinery and equipment	20%
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Motor vehicles	20%
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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 the 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.

3. 主要會計政策撮要(續)**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(包括物業經營租約下符合投資物業定義之租賃權益)，而非用作生產或提供貨品或服務，或用作行政用途，或於日常業務中出售。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值列賬。

投資物業公平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。

就業主佔用物業轉撥為投資物業而言，本集團根據「物業、廠房及設備與折舊」所述之政策將有關物業列賬，直至用途變更當日為止，於該日有關物業之賬面值與公平值間之任何差異乃視作資產重估儲備之變動處理。於出售重估資產時，就過往估值變現之資產重估儲備之相關部分將作為儲備變動撥入保留溢利。

經營租賃

凡資產擁有權之絕大部份回報及風險歸予租賃人所有之租約，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，經營租約之應付租金(扣除自出租人收取之任何獎勵後)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。倘租金未能於土地及樓宇部份間作出可靠分配，則全部租金作為物業、廠房及設備之融資租賃計入土地及樓宇之成本。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a 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.

For a transfer from an owner-occupied property to an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is dealt with as movements in the asset revaluation reserve. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realised in respect of previous valuations is transferred to retained profits as a movement in reserves.

Operating leases

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.

3. 主要會計政策撮要(續)**投資及其他金融資產**

香港會計準則第39號範圍內之金融資產分類為透過損益按公平值計算之金融資產及貸款及應收賬項(視何者適用)。於初步確認時，金融資產按公平值計量，而倘為並非透過損益按公平值計算之投資，則另加直接應佔交易成本計量。

本集團於初次確認後會將金融資產分類，並於許可及適當情況下，於結算日重新評估該分類。

循一般途徑買入及出售之金融資產於交易日(即本集團承諾購買或出售資產之日)確認。循一般途徑買入或出售，乃指須於法規或市場慣例一般設定之期間內交付資產之金融資產買入或出售。

透過損益按公平值計算之金融資產

透過損益按公平值計算之金融資產為於初步確認時指定為透過損益按公平值列值之金融資產。

倘符合下列條件，金融資產會於初步確認時指定為透過損益按公平值計算：(i)有關指定消除或大幅減少倘以其他基準計量資產或確認其損益所產生之處理方法矛盾；(ii)該資產為一組根據既定風險管理策略以公平值基準管理及評估表現之金融資產之部分；或(iii)該金融資產包含需獨立入賬之內嵌式衍生工具。此等金融資產之損益會於損益表內確認。於損益表內確認之公平值損益淨額並不包括該等金融資產之任何股息。

貸款及應收賬項

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。該等資產其後用實際利息法按攤銷成本(扣除任何減值撥備)列賬。攤銷成本乃於計及收購之任何折讓或溢價而計算，並計入構成實際利率及交易成本不可分割部分之費用。該等貸款及應收賬項取消確認、出現減值或進行攤銷時於損益賬確認盈虧。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments and other financial assets

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss and loans and receivables, as appropriate. 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 asset are recognised on the trade date, this is, the date that the Group commits to purchase or sell 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.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets designated upon initial recognition as at fair value through profit or loss.

Financial assets are designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; (ii) the assets are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial asset contains an embedded derivative that would need to be separately recorded. Gains or losses on these financial assets are recognised in the income statement. The net fair value gain or loss recognised in the income statement does not include any dividends on these financial assets.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method less any allowance for impairment. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. 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.

3. 主要會計政策撮要(續)**投資及其他金融資產(續)****公平值**

在有組織之金融市場交投活躍之投資之公平值，乃參考於結算日營業時間結束時市場所報買入價而釐定。就並無活躍市場之投資而言，公平值乃採用估值方法釐定。有關方法包括使用近期按公平原則進行之市場交易；參照大致相同之另一工具之現時市價；及折現現金流量分析。

金融資產減值

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值之貸款及應收賬項已產生減值虧損，虧損金額乃資產賬面值與以金融資產原始實際利率(即初步確認時計算之實際利率)折現的估算未來現金流量(不包括尚未產生之未來信貸損失)現值之間差額計量。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表中確認。貸款及應收款項連同相關撥備乃於預期款項實際不可於日後收回時撇銷。

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透過調整撥備賬予以回撥。任何減值虧損之其後回撥將於損益賬內確認，金額以資產於撥回日期之賬面值不超過其攤銷成本為限。

就應收賬項而言，倘有客觀憑證(例如債務人有可能無力償債或有重大財政困難，以及科技、市場狀況或法律環境出現對債務人不利之重大變動)顯示本集團將未能收回所有根據原有發票條款應收之款項，則會作出減值撥備。應收款項之賬面值乃透過使用撥備賬而減少。減值債務於評定為不可收回時取消確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*(Continued)***Investments and other financial assets (Continued)****Fair value**

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business at the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; and a discounted cash flow analysis.

Impairment of financial assets

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 the income statement. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. 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.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor and significant changes in the technological, market economic or legal environment that have an adverse effect on the debtor) that the Group will not be able to collect all of the amounts due under the original term of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

3. 主要會計政策撮要(續)**取消確認金融資產**

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將有關現金全數轉付予第三者；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。

按攤銷成本列賬之金融負債

金融負債(包括應付賬款及票據及其他應付賬項)初步乃以公平值減直接應佔交易成本列賬，其後則以實際利率法按攤銷成本計量，除非折讓之影響將並非重大，在該情況下則以成本列賬。相關利息開支乃於損益表內之「融資成本」內確認。

當負債取消確認及透過攤銷程序處理時，盈虧乃於損益表確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Derecognition of financial assets

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 them 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.

Financial liabilities at amortised cost

Financial liabilities including trade and bills payables and other payables are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The related interest expense is recognised within "finance costs" in the income statement.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

3. 主要會計政策撮要(續)**取消確認金融負債**

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實質條款不同之負債取代，或現有負債之條款大部份被修訂，該項取代或修訂將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表內確認。

存貨

存貨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。

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

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

如貼現影響重大，則確認之撥備額為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乃計入損益賬內之融資成本中。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Derecognition of financial liabilities

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 the income statement.

Inventories

Inventories 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.

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 that are readily convertible into known amounts of cash, 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.

Provisions

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

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.

3. 主要會計政策撮要(續)**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。

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。

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

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, 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, 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.

3. 主要會計政策撮要(續)**所得稅(續)**

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

遞延稅項資產及負債按資產變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即期稅項資產與即期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、照片沖印服務及沖印產品技術服務之收入於提供服務時確認；
- (c) 供應商之津貼及協議收入，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；
- (e) 透過損益按公平值計算之金融資產之公平值收益乃於結算日營業時間結束時市場之買入價出現變動時確認；及
- (f) 租金收入於租期內按時間比例確認。

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

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.

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) from the provision of film processing, photo-finishing services and technical services for photographic developing and processing products, when the services have been rendered;
- (c) subsidies from a supplier and settlement income, 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;
- (e) fair value gain of financial assets at fair value through profit or loss, when there is a change in the quoted market bid prices at the close of business at the balance sheet date; and
- (f) rental income, on a time proportion basis over the lease terms.

3. 主要會計政策撮要(續)**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」)。

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值計算。公平值按柏力克－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。

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

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.

3. 主要會計政策撮要(續)**基於股份支付(續)**

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(按前一段所述)。

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。

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。

其他僱員福利**預付有薪假期結轉**

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。

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。

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

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.

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 by 1 April 2005 and to those granted on or after 1 April 2005.

Other employee benefits**Prepaid 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.

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 the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the ORSO scheme.

3. 主要會計政策撮要(續)**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。

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。按公平值列賬、以外幣為單位之非貨幣項目，採用釐定公平值日期之匯率換算。

本集團位於中國大陸之若干附屬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列賬。於出售海外實體時，於權益確認之有關該特定海外業務之遞延累積金額於損益表確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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.

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 the income statement. 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.

The functional currencies of certain subsidiaries located in Mainland China 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 the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

3. 主要會計政策撮要(續)**外幣(續)**

為符合綜合現金流動報表要求，位於中國大陸之附屬公司之現金流動情況按於現金流動日期之匯率換算為港幣。海外附屬公司於全年均有發生之經常性重覆現金流動情況則按年內匯率加權平均數換算為港幣。

4. 重大會計判斷及估計

編製本公司之財務報表時，管理層須作出判斷、估計及假設，而其將影響於報告日期之收入、開支、資產及負債之呈報金額及或然負債之披露。然而，該等假設及估計之不明朗因素可能導致需要於未來對資產或負債之賬面值作出重大調整。

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。

(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。

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

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

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

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.

(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.

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(續)**

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。

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。

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

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 an 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 materially affect the net present value used in the impairment test.

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.

4. 重大會計判斷及估計(續)**估計不明朗因素(續)****(i) 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。

(ii) 物業、廠房及設備項目之可使用年期及餘值

於釐定物業、廠房及設備項目之可使用年期及餘值時，本集團須考慮多項因素，例如因生產變動或改進以致技術或商業環境過時，或資產之產品或服務輸出之市場需求之變動、資產之預期使用量、預期實際耗損、資產之維修保養及對使用資產之法律或類似限制。資產之估計可使用年期乃根據本集團就用作近似用途之類似資產之經驗而定。倘物業、廠房及設備項目之估計可使用年期及／或餘值與過往估計有所出入，則須作出額外折舊。可使用年期及餘值乃於各財務年度年結日根據情況變動而進行審閱。

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

(ii) Useful lives and residual values of items of property, plant and equipment

In determining the useful lives and residual values of items of property, plant and equipment, the Group has to consider various factors, such as technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset, expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset. The estimation of the useful life of the asset is based on the experience of the Group with similar assets that are used in a similar way. Additional depreciation is made if the estimated useful lives and/or the residual values of items of property, plant and equipment are different from previous estimation. Useful lives and residual values are reviewed at each financial year end date based on changes in circumstances.

4. 重大會計判斷及估計(續)

估計不明朗因素(續)

(iii) 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2008年3月31日，商譽之賬面值為港幣35,878,000元(2007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18。

(iv) 遞延稅項資產

遞延稅項資產乃就因應收賬款及票據及存貨減值而產生之所有未動用稅項虧損及可扣稅暫時差額而確認，直至將可能有應課稅溢利可用作對銷虧損及可扣稅暫時差額可予動用。管理層須根據未來應課稅溢利之可能時間及水平連同日後稅務計劃策略，就釐定可予確認之遞延稅項資產金額作出重大判斷。於2008年3月31日，有關已確認稅務虧損及存貨撥備之遞延稅項資產之賬面值分別為港幣6,641,000元(2007年：港幣6,898,000)及港幣17,000元(2007年：港幣34,000元)。於2008年3月31日，未確認稅務虧損、應收賬款減值之暫時差額之金額分別為港幣19,258,000元(2007年：港幣24,975,000元)及港幣141,745,000元(2007年：港幣141,745,000元)。進一步詳情載於財務報表附註27。

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

(iii) 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 2008 was HK\$35,878,000 (2007: HK\$35,878,000). Further details of impairment testing of goodwill are set out in note 18 to the financial statements.

(iv) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and deductible temporary differences arising from impairment on trade and bills receivables and inventories to the extent that it is probable that taxable profit will be available against which the losses and deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying values of deferred tax assets relating to recognised tax losses and provision against inventories as at 31 March 2008 were HK\$6,641,000 (2007: HK\$6,898,000) and HK\$17,000 (2007: HK\$34,000), respectively. The amounts of unrecognised tax losses and temporary differences on impairment on trade receivables as at 31 March 2008 were HK\$19,258,000 (2007: HK\$24,975,000), HK\$141,745,000 (2007: HK\$141,745,000). Further details are contained in note 27 to the financial statements.

5. 分類資料

分類資料採用以下兩種分類呈報：(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。本集團每項業務分類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業務分類。本集團業務分類概要如下：

- (a) 產品銷售分類從事推廣及經銷照相沖印產品，以及銷售照相商品；
- (b) 服務分類從事提供菲林沖曬、照相沖印服務及沖印產品的技術服務；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。

於年內，管理層已將分類資料呈報方式由批發及零售分類更改為產品銷售及服務分類。管理層認為，是項變更為本集團現時之業務架構提供更合適呈列方式。比較資料已予重列，以符合本年度之呈列方式。

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二十一(2007年：百分之二十五)之附加值計算。

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 merchandise segment engages in the marketing and distribution of photographic developing, processing and printing products and sale of photographic merchandises;
- (b) the service segment engages in the provision of film processing, photo-finishing services and technical services for photographic developing and processing products; and
- (c) the corporate and others segment comprises the Group's investment property business together with corporate income and expense items.

During the year, management changed the presentation of segment information from wholesale and retail segments to merchandise and service segments. Management considered that the change provides a more appropriate presentation of the Group's existing operating structure. Comparative information has been restated to conform with the current year's presentation.

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 a mark-up of approximately 21% (2007: 25%).

5. 分類資料(續)

(a) 業務分類

下表詳列本集團截至2008年及2007年3月31日止年度業務分類之現有收益、溢利/(虧損)及若干資產、負債及開支之資料。

5. SEGMENT INFORMATION (Continued)

(a) Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information of the Group's business segments for the years ended 31 March 2008 and 2007.

		Merchandise		Service		Corporate and Others		Eliminations		Consolidated	
		產品銷售		服務		企業及其他		註銷		綜合	
		2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(Restated)		(Restated)							
		(重列)		(重列)							
分類收益：	Segment revenue:										
外界客戶之銷售	Sales to external customers	193,358	692,954	129,260	134,250	-	-	-	-	322,618	827,204
部門間之銷售額	Intersegment sales	26,771	31,912	3,396	3,810	-	-	(30,167)	(35,722)	-	-
其他收入及收益	Other income and gains	156	1,591	-	2,470	29,734	2,377	-	-	29,890	6,438
總計	Total	220,285	726,457	132,656	140,530	29,734	2,377	(30,167)	(35,722)	352,508	833,642
分類業績	Segment results	(3,864)	52,086	7,764	5,930	17,082	(2,984)	-	-	20,982	55,032
利息收入及未分配收益	Interest income and unallocated gains									31,283	38,282
協議收入	Settlement income	-	140,400	-	-	-	-	-	-	-	140,400
除稅前溢利	Profit before tax									52,265	233,714
稅項	Tax									(6,047)	(14,979)
本年度溢利	Profit for the year									46,218	218,735

		Merchandise		Service		Corporate and Others		Consolidated	
		產品銷售		服務		企業及其他		綜合	
		2008	2007	2008	2007	2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(Restated)		(Restated)					
		(重列)		(重列)					
資產及負債	Assets and liabilities								
分類資產	Segment assets	49,844	143,902	59,165	70,412	396,214	50,322	505,223	264,636
未分配資產	Unallocated assets							689,366	973,541
總資產	Total assets							1,194,589	1,238,177
分類負債	Segment liabilities	84,495	88,921	11,165	9,928	13,987	8,819	109,647	107,668
未分配負債	Unallocated liabilities							11,054	5,624
總負債	Total liabilities							120,701	113,292

5. 分類資料(續)

(a) 業務分類(續)

5. SEGMENT INFORMATION (Continued)

(a) Business segments (Continued)

		Merchandise		Service		Corporate and Others		Consolidated	
		2008	2007	2008	2007	2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(Restated)		(Restated)					
		(重列)		(重列)					
其他分類資料：	Other segment information:								
折舊及確認	Depreciation and recognition								
預付土地租金	of prepaid land								
	lease payments	3,917	5,821	9,730	11,879	3,401	1,842	17,048	19,542
物業、廠房及	Reversal of impairment								
設備減值回撥	of items of property,								
	plant and equipment	-	(3,102)	-	-	-	-	-	(3,102)
資本開支	Capital expenditure	1,809	2,666	5,371	5,622	147	565	7,327	8,853
投資物業	Changes in fair value								
公平值變動	of investment properties	-	-	-	-	(19,076)	2,972	(19,076)	2,972
應收賬項及票據	Impairment/(write-back								
減值/(減值	of impairment) of trade and								
回撥), 淨額	bills receivables, net	(1,807)	1,293	-	-	-	-	(1,807)	1,293
其他應收賬項減值	Impairment of an								
	other receivable	-	1,000	-	-	-	-	-	1,000
存貨撥備回撥	Write-back of provision								
	against inventories	(267)	(28,600)	-	(92)	-	-	(267)	(28,692)

(b) 地區分類

下表呈列本集團截至2008年及2007年3月31日止年度地區分類之現有收益、若干資產及開支之資料。

(b) Geographical segments

The following table presents revenue and certain asset and expenditure information of the Group's geographical segments for the years ended 31 March 2008 and 2007.

		Hong Kong		Mainland China		Consolidated	
		2008	2007	2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
分類收益：	Segment revenue:						
外界客戶	Sales to external						
之銷售	customers	322,618	650,636	-	176,568	322,618	827,204
其他分類	Other segment						
資料：	information:						
分類資產	Segment assets	1,078,903	1,110,504	115,686	127,673	1,194,589	1,238,177
資本開支	Capital expenditure	7,327	8,826	-	27	7,327	8,853

6. 收益、其他收入及收益

收益亦即本集團之營業額，指(i)銷售貨品之發票淨值(已扣除退貨及折扣)；及(ii)提供菲林沖曬、照相沖印及攝影及沖印產品之技術服務之收入。

收益、其他收入及收益之分析如下：

6. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents (i) the net invoiced value of goods sold, after allowances for returns and trade discounts; and (ii) the income from the rendering of film processing, photo-finishing services and technical services for photographic developing and processing products.

An analysis of revenue, other income and gains is as follows:

		2008 HK\$'000	2007 HK\$'000 (Restated) (重列)
收益	Revenue		
產品銷售	Sale of goods	193,358	692,954
菲林沖曬、照相沖印及 技術服務收入	Income from the rendering of film processing, photo-finishing services and technical services	129,260	134,250
		322,618	827,204
其他收入及收益	Other income and gains		
利息收入	Interest income	31,283	31,508
租金收入總值(附註8)	Gross rental income (note 8)	5,274	2,367
供應商之津貼	Subsidies from a supplier	156	458
出售聯營公司收益	Gain on disposal of an associate	–	6,774
透過損益按公平值計算 之金融資產之公平值收益	Fair value gain on financial assets at fair value through profit or loss	5,132	–
投資物業公平值變動 (附註8)	Changes in fair value of investment properties (note 8)	19,076	–
其他	Others	252	3,613
		61,173	44,720

7. 協議收入

於2006年6月30日，本集團與一位主要供應商訂立一項協議，以由2006年10月20日起終止與本集團若干附屬公司訂立的若干分銷協議(「終止協議」)。根據終止協議，本集團不再為該主要供應商的若干產品之分銷商，並於截至2007年3月31日止年度內向該主要供應商收取協議收入。

7. SETTLEMENT INCOME

On 30 June 2006, the Group entered into an agreement with a major supplier 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 ceased to be the distributor of certain products of this major supplier and received the settlement income from this major supplier during the year ended 31 March 2007.

8. 除稅前溢利

本集團除稅前溢利已扣除／(計入)：

8. PROFIT BEFORE TAX

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

	Notes 附註	2008 HK\$'000	2007 HK\$'000
銷售存貨成本**	Cost of inventories sold**	147,656	591,067
提供服務成本**	Cost of services provided**	61,839	53,979
核數師酬金	Auditors' remuneration	1,100	1,100
折舊	Depreciation	15	18,852
物業、廠房及設備 減值回撥*	Reversal of impairment of items of property, plant and equipment*	15	(3,102)
確認預付土地租金	Recognition of prepaid land lease payments	17	690
土地及樓宇之最低 經營租約租金	Minimum lease payments under operating leases on land and buildings	32,131	31,782
出售物業、廠房及設備項目之 (收益)／虧損*	(Gain)/loss on disposal of items of property, plant and equipment*	294	(354)
存貨撥備回撥**	Write-back of provision against inventories**	(267)	(28,692)
應收賬項及票據減值／ (減值回撥)，淨額*	Impairment/(write-back of impairment) of trade and bills receivables, net*	(1,807)	1,293
其他應收賬項減值*	Impairment of an other receivable*	-	1,000
收回壞賬*	Bad debts recovered*	-	(1,568)
應收賬項及票據撇銷*	Write-off of trade and bills receivables*	1,148	-
預付款項、訂金及其他 應收賬項撇銷*	Write-off of prepayments, deposits and other receivables*	1,889	-
應付賬項及票據回撥*	Write-back of trade and bills payables*	(2,501)	-
應計負債及其他應付賬項回撥*	Write-back of accrued liabilities and other payables*	(2,595)	-
投資物業公平值變動	Changes in fair value of investment properties	16	2,972
僱員福利開支 (包括載於附註9之董事酬金)	Employee benefits expense (including directors' remuneration as set out in note 9)		
工資及薪金	Wages and salaries	53,178	60,449
退休金計劃供款	Pension scheme contributions	2,352	2,553
長期服務金撥備	Provision for long service payments	52	162
減：被沒收之供款***	Less: Forfeited contributions***	-	-
退休金計劃供款淨額	Net pension scheme contributions	2,404	2,715
		55,582	63,164
租金收入總值	Gross rental income	6	(2,367)
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	361	1,123
租金收入淨值	Net rental income	(4,913)	(1,244)
匯兌差額，淨額	Foreign exchange differences, net	(1,249)	(1,443)

* 該等項目已於綜合損益表「其他經營收入／(開支)，淨額」一欄內列賬。

** 該等項目已於綜合損益表「銷售成本」一欄內列賬。

*** 於2008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計劃供款(2007年：無)。

* Included in "Other operating income/(expenses), net" 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 2008, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2007: Nil).

9. 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：

9. 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	
		2008 HK\$'000	2007 HK\$'000
袍金	Fees	788	840
其他酬金：	Other emoluments:		
薪金及津貼	Salaries and allowances	4,672	4,889
非強制性花紅	Discretionary bonuses	1,490	1,139
退休金計劃供款	Pension scheme contributions	48	48
		6,998	6,916

(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:

		2008 HK\$'000	2007 HK\$'000
區文中	Au Man Chung Malcolm	110	100
黃子欣	Wong Chi Yun Allan	100	110
李家暉	Li Ka Fai David	120	120
劉暉	Liu Hui Allan	90	-
張昀	Chiang Yun Rachel	38	-
		458	330

年內並無其他應付予獨立非執行董事之酬金(2007年：無)。

There were no other emoluments payable to the independent non-executive directors during the year (2007: Nil).

(b) 執行董事及非執行董事

(b) Executive directors and non-executive directors

		Fees	Salaries and allowances	Discretionary bonuses	Pension scheme contributions	Total remuneration
		袍金 HK\$'000	薪金及津貼 HK\$'000	非強制性花紅 HK\$'000	退休金計劃供款 HK\$'000	酬金總額 HK\$'000
2008年	2008					
執行董事：	Executive directors:					
孫大倫	Sun Tai Lun Dennis	90	2,360	812	12	3,274
吳玉華	Ng Yuk Wah Eileen	80	844	238	12	1,174
鄧國棠	Tang Kwok Tong Simon	80	820	235	12	1,147
孫道弘	Sun Tao Hung Stanley	80	648	205	12	945
		330	4,672	1,490	48	6,540

9. 董事酬金(續)

(b) 執行董事及非執行董事(續)

		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
2007年	2007					
執行董事：	Executive directors:					
孫大倫	Sun Tai Lun Dennis	90	2,541	602	12	3,245
吳玉華	Ng Yuk Wah Eileen	80	865	207	12	1,164
鄧國棠	Tang Kwok Tong Simon	80	865	178	12	1,135
孫道弘	Sun Tao Hung Stanley	80	618	152	12	862
		330	4,889	1,139	48	6,406
非執行董事：	Non-executive directors:					
劉暉	Liu Hui Allan	90	-	-	-	90
張昀	Chiang Yun Rachel	90	-	-	-	90
		510	4,889	1,139	48	6,586

截至2008年及2007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 2008 and 2007.

10. 5位最高薪酬僱員

年內5位最高薪酬僱員包括4位(2007年：4位)董事，其薪酬詳情已在上文附註9披露。年內其餘1位(2007年：1位)非董事及最高薪酬僱員之薪酬金詳情如下：

10. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four (2007: four) directors, details of whose remuneration are set out in note 9 above. Details of the remuneration of the remaining one (2007: one) non-director, highest paid employee for the year are as follows:

		Group 集團	
		2008 HK\$'000	2007 HK\$'000
薪金及津貼	Salaries and allowances	795	755
退休金計劃供款	Pension scheme contributions	12	12
		807	767

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	
		2008	2007
無至港幣1,000,000元	Nil to HK\$1,000,000	1	1

11. 稅項

香港利得稅根據年內在香港賺取之估計應課稅溢利，按稅率17.5%（2007年：17.5%）作提撥準備。中華人民共和國（「中國」）應課稅溢利的稅項按本集團經營業務之地區現行稅率並根據現行法例、闡釋及運作計算。

11. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (2007: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable in the People's Republic of China (the "PRC") have been calculated at the rates of tax prevailing in the location in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

		2008 HK\$'000	2007 HK\$'000
集團：	Group:		
本年－香港	Current – Hong Kong		
年內計提	Charge for the year	1,117	4,933
往年超額撥備	Overprovision in prior years	(24)	(374)
本年－中國內地	Current – Mainland China	319	3,818
		1,412	8,377
遞延稅項（附註27）	Deferred (note 27)	4,635	6,602
年內稅項支出	Total tax charge for the year	6,047	14,979

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

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

		Hong Kong 香港 HK\$'000	Mainland China 中國內地 HK\$'000	Total 總計 HK\$'000
集團－2008年	Group – 2008			
除稅前溢利	Profit before tax	47,363	4,902	52,265
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	8,288	1,618	9,906
就過往期間當期稅項之調整	Adjustments in respect of current tax of previous periods	(24)	–	(24)
就過往期間遞延稅項之調整	Adjustments in respect of deferred tax of previous periods	(1,316)	1,767	451
免繳稅收入	Income not subject to tax	(5,353)	(1,306)	(6,659)
不可扣稅支出	Expenses not deductible for tax	760	3,695	4,455
取消確認遞延稅項資產	Derecognition of deferred tax assets	17	–	17
抵銷過往期間產生之稅項虧損	Tax losses utilised from previous periods	(2,099)	–	(2,099)
按本集團實際稅率計算之稅項支出	Tax charge at the Group's effective rate	273	5,774	6,047

11. 稅項(續)

11. TAX (Continued)

		Hong Kong 香港 HK\$'000	Mainland China 中國內地 HK\$'000	Total 總計 HK\$'000
集團 – 2007年	Group – 2007			
除稅前溢利	Profit before tax	228,545	5,169	233,714
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	39,995	1,706	41,701
就過往期間當期稅項 之調整	Adjustments in respect of current tax of previous periods	(374)	–	(374)
就過往期間遞延稅項 之調整	Adjustments in respect of deferred tax of previous periods	503	(35)	468
免繳稅收入	Income not subject to tax	(33,354)	(1)	(33,355)
不可扣稅支出	Expenses not deductible for tax	1,190	1,832	3,022
取消確認遞延稅項資產	Derecognition of deferred tax assets	6,824	–	6,824
抵銷過往期間產生之 稅項虧損	Tax losses utilised from previous periods	(3,307)	–	(3,307)
按本集團實際稅率計算之 稅項支出	Tax charge at the Group's effective rate	11,477	3,502	14,979

12. 本公司股權持有人應佔溢利

截至2008年3月31日止年度，本公司股權持有人應佔綜合溢利為港幣103,354,000元（2007年：港幣106,213,000元），已於本公司財務報表中呈列（附註30(b)）。

12. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The consolidated profit attributable to equity holders of the Company for the year ended 31 March 2008 includes a profit of HK\$103,354,000 (2007: HK\$106,213,000) which has been dealt with in the financial statements of the Company (note 30(b)).

13. 股息

13. DIVIDENDS

		2008 HK\$'000	2007 HK\$'000
中期 – 每股普通股港幣1仙 (2007年：港幣3.8仙)	Interim – HK1 cent (2007: HK3.8 cents) per ordinary share	11,638	44,225
中期特別 – 每股普通股 港幣2.8仙 (2007年：無)	Interim special – HK2.8 cents (2007: Nil) per ordinary share	32,587	–
擬派末期 – 每股普通股 港幣0.9仙 (2007年： 港幣5.2仙)	Proposed final – HK0.9 cent (2007: HK5.2 cents) per ordinary share	10,474	60,519
擬派末期特別 – 每股普通股 港幣4.3仙 (2007年：無)	Proposed final special – HK4.3 cents (2007: Nil) per ordinary share	50,045	–
		104,744	104,744

派發本年度末期股息及末期特別股息之建議須待本公司股東於下一次召開之股東週年大會上批准後，方可作實。

The proposed final dividend and the proposed final special dividend for the year are subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

14. 本公司普通股股權持有人應佔每股盈利

(a) 每股基本盈利

每股基本盈利是根據以下項目計算：

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

(a) Basic earnings per share

The calculation of basic earnings per share is based on:

		Group 集團	
		2008 HK\$	2007 HK\$
盈利	Earnings		
用於計算每股基本盈利之本公司普通股股權持有人應佔溢利	Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	46,383,000	218,824,000
股份	Shares		
用於計算每股基本盈利之年內已發行普通股加權平均數	Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	1,163,828,377	1,163,828,377

(b) 每股攤薄盈利

由於截至2008年及2007年3月31日止年度內概無存在具攤薄影響之事件，故並無披露截至2008年及2007年3月31日止年度之每股攤薄盈利賬目。

(b) Diluted earnings per share

Diluted earnings per share amounts for the years ended 31 March 2008 and 2007 have not been disclosed as no diluting event existed during the years ended 31 March 2008 and 2007.

15. 物業、廠房及設備集團

15. PROPERTY, PLANT AND EQUIPMENT

Group

		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 總計 HK\$'000
2008年3月31日	31 March 2008					
於2007年4月1日：	At 1 April 2007:					
成本	Cost	47,274	55,346	102,785	6,708	212,113
累計折舊及減值	Accumulated depreciation and impairment	(25,010)	(49,462)	(82,829)	(4,378)	(161,679)
賬面淨值	Net carrying amount	22,264	5,884	19,956	2,330	50,434
於2007年4月1日， 扣除累計折舊及減值	At 1 April 2007, net of accumulated depreciation and impairment	22,264	5,884	19,956	2,330	50,434
增加	Additions	-	6,712	615	-	7,327
出售	Disposals	-	(357)	(65)	-	(422)
年內折舊撥備	Depreciation provided during the year	(2,554)	(6,157)	(7,460)	(668)	(16,839)
匯兌調整	Exchange realignment	1,369	38	-	-	1,407
於2008年3月31日 扣除累計折舊及減值	At 31 March 2008, net of accumulated depreciation and impairment	21,079	6,120	13,046	1,662	41,907
於2008年3月31日：	At 31 March 2008:					
成本	Cost	50,222	58,281	101,739	6,298	216,540
累計折舊及減值	Accumulated depreciation and impairment	(29,143)	(52,161)	(88,693)	(4,636)	(174,633)
賬面淨值	Net carrying amount	21,079	6,120	13,046	1,662	41,907

15. 物業、廠房及設備 (續)
集團

15. PROPERTY, PLANT AND EQUIPMENT (Continued)
Group

		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 總計 HK\$'000
2007年3月31日	31 March 2007					
於2006年4月1日：	At 1 April 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
於2006年4月1日， 扣除累計折舊及減值	At 1 April 2006, net of accumulated depreciation and impairment	62,329	6,368	27,561	1,918	98,176
增加	Additions	-	6,195	1,428	1,230	8,853
出售	Disposals	-	(231)	(891)	(223)	(1,345)
年內折舊撥備	Depreciation provided during the year	(3,738)	(6,472)	(8,046)	(596)	(18,852)
減值回撥/(減值)	Reversal of impairment/(impairment)	3,234	-	(132)	-	3,102
轉撥後重估盈餘	Revaluation surplus upon transfer	23,731	-	-	-	23,731
轉撥至投資物業	Transfer to investment properties	(63,819)	-	-	-	(63,819)
匯兌調整	Exchange realignment	527	24	36	1	588
於2007年3月31日， 扣除累計折舊及減值	At 31 March 2007, net of accumulated depreciation and impairment	22,264	5,884	19,956	2,330	50,434
於2007年3月31日：	At 31 March 2007:					
成本	Cost	47,274	55,346	102,785	6,708	212,113
累計折舊及減值	Accumulated depreciation and impairment	(25,010)	(49,462)	(82,829)	(4,378)	(161,679)
賬面淨值	Net carrying amount	22,264	5,884	19,956	2,330	50,434

於2008年3月31日，位於中國內地之租賃土地及樓宇總成本為港幣29,747,000元(2007年：港幣26,799,000元)；已根據中期租約列入本集團總成本為港幣50,222,000元(2007年：港幣47,274,000元)之租賃土地及樓宇當中。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，故根據香港會計準則第17號之條文，全部租金已列入租賃土地及樓宇之成本內，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\$50,222,000 (2007: HK\$47,274,000) are leasehold land and buildings situated in Mainland China with an aggregate cost of HK\$29,747,000 (2007: HK\$26,799,000) as at 31 March 2008 under medium term leases. 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.

16. 投資物業

16. INVESTMENT PROPERTIES

		Group 集團	
		2008 HK\$'000	2007 HK\$'000
於4月1日之賬面值	Carrying amount at 1 April	103,248	35,958
由自用物業及預付 土地租金轉撥	Transfer from owner-occupied properties and prepaid land lease payments	–	69,448
公平值調整之收益/ (虧損)淨額(附註8)	Net gain/(loss) from a fair value adjustment (note 8)	19,076	(2,972)
匯兌調整	Exchange realignment	1,870	814
於3月31日之賬面值	Carrying amount at 31 March	124,194	103,248

集團之投資物業按以下租約持有：

The Group's investment properties are held under the following lease terms:

		2008 HK\$'000	2007 HK\$'000
位於香港之中期租約物業	Medium term leases in Hong Kong	43,370	32,098
位於中國內地之中期租約物業	Medium term leases in Mainland China	46,707	41,900
位於中國內地之長期租約物業	Long term leases in Mainland China	34,117	29,250
		124,194	103,248

集團之投資物業由獨立專業合資格估價師衡量行(Chung, Chan & Associates)於2008年3月31日根據現時用途按公開市價基準重新估值，重新估計價值為港幣124,194,000元。投資物業已按經營租賃安排租予第三者，其他摘要資料已載於財務報表附註33(a)。

The Group's investment properties were revalued at HK\$124,194,000 as at 31 March 2008 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 arrangements, further summary details of which are included in note 33(a) to the financial statements.

有關集團投資物業之進一步詳情載於本年報第107及108頁。

Further particulars of the Group's investment properties are included on page 107 and 108.

17. 預付土地租賃開支

17. PREPAID LAND LEASE PAYMENTS

		Group 集團	
		2008 HK\$'000	2007 HK\$'000
於4月1日之賬面值	Carrying amount at 1 April	3,480	9,799
於年內確認(附註8)	Recognised during the year (note 8)	(209)	(690)
轉撥至投資物業	Transfer to investment properties	–	(5,629)
於3月31日之賬面值	Carrying amount at 31 March	3,271	3,480
列入預付款項、訂金及 其他應收賬項之即期部分	Current portion included in prepayments, deposits and other receivables	(209)	(209)
非即期部分	Non-current portion	3,062	3,271

17. 預付土地租賃開支(續)

集團之預付土地租賃開支按以下租約持有：

		2008 HK\$'000	2007 HK\$'000
位於香港之中期租約物業	Medium term leases in Hong Kong	3,271	3,480

18. 商譽**18. GOODWILL**

		Group 集團 2008 HK\$'000	2007 HK\$'000
於4月1日及3月31日之成本及 賬面淨值	Cost and net carrying amount at 1 April and 31 March	35,878	35,878

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五年期現金流量預測計算。現金流量預測適用之折現率為9.26%。

於2008年3月31日及2007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，並反映與有關單位相關之特定風險。

購買價格上漲 – 存貨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。

Impairment testing of goodwill

Goodwill acquired through a business combination has been allocated to the retail operation cash-generating unit, which is a reportable 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 five years. The discount rate applied to cash flow projections is 9.26%.

Key assumptions were used in the value in use calculation of the retail operation cash-generating unit for 31 March 2008 and 31 March 2007. 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 budget 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 inventory price inflation is the forecast price indices during the budget year from where inventories are sourced. The values assigned to key assumptions are consistent with external information sources.

19. 附屬公司權益

19. INTERESTS IN SUBSIDIARIES

		Company 公司	
		2008 HK\$'000	2007 HK\$'000
非上市股份，按原值	Unlisted shares, at cost	193,540	193,540
應收附屬公司欠款	Amounts due from a subsidiary	660,022	662,204
		853,562	855,744
減：即期部分	Less: Current portion	(60,519)	(60,519)
非即期部分	Non-current portion	793,043	795,225

除了一筆並非於未來12個月內償還的金額港幣599,503,000元(2007年：港幣601,685,000元)，所有應收附屬公司之欠款均為無抵押、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 amounts due from subsidiaries are unsecured, non-interest-bearing and repayable on demand, except for an amount of HK\$599,503,000 (2007: HK\$601,685,000) which is not repayable within the next twelve months. 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 英屬處女群島	Ordinary US\$1 普通 1美元	–	100	Investment holding 投資控股
C.Y. Sun Holdings Limited*	British Virgin Islands 英屬處女群島	Ordinary US\$10,000 普通 10,000美元	100	–	Investment holding 投資控股
Fotomax (F.E.) Ltd. 快圖美(遠東)公司	Hong Kong 香港	Ordinary HK\$1,000,000 普通 港幣1,000,000元	–	100	Provision of photographic developing and processing services and retail of photographic merchandise 提供相片沖印服務 及攝影器材零售

19. 附屬公司權益 (續)

本集團主要附屬公司資料如下：(續)

19. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the principal subsidiaries are as follows: (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	
Fuji Photo Products Company, Limited 富士攝影器材有限公司	Hong Kong 香港	Ordinary HK\$10,000,000 普通 港幣10,000,000元	–	100	Marketing and distribution of photographic developing and processing products 推廣及經銷攝影及 沖印產品
Great Earnings Investments Limited 溢進投資有限公司	Hong Kong 香港	Ordinary HK\$2 普通 港幣2元	–	100	Property holding 物業持有
Imaging and Information Products Trading Limited (“IIP”) 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

19. 附屬公司權益 (續)

本集團主要附屬公司資料如下：(續)

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	
Sky Rich (Asia) Limited 天富(亞洲)有限公司	Hong Kong 香港	Ordinary HK\$2 普通 港幣2元	–	100	Property holding 物業持有
Sky Year Resources Limited 天業資源有限公司	Hong Kong 香港	Ordinary HK\$2 普通 港幣2元	–	100	Property holding 物業持有

* 並非由香港安永會計師事務所或安永全球網絡之成員公司核數。

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。

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

19. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the principal subsidiaries are as follows: (Continued)

* Not audited by Ernst & Young Hong Kong or other member firm of the Ernst & Young global network.

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.

20. INVENTORIES

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

21. TRADE AND BILLS RECEIVABLES

		Group 集團	
		2008 HK\$'000	2007 HK\$'000
應收賬項及票據	Trade and bills receivables	140,883	160,005
減值	Impairment	(127,878)	(141,404)
		13,005	18,601

21. 應收賬項及票據(續)

本集團與顧客之交易主要以除賬方式進行，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，並由高級管理層預先批准。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。鑑於上文所述以及本集團之應收賬項與多位不同客戶有關，故並無重大集中信貸風險。

按逾期日計算，以下為扣除減值後應收賬項及票據於結算日之賬齡分析：

		Group 集團	
		2008	2007
		HK\$'000	HK\$'000
即期至3個月	Current to 3 months	12,721	16,686
4至6個月	4 to 6 months	52	808
7至9個月	7 to 9 months	66	43
9個月以上	Over 9 months	166	1,064
		13,005	18,601

應收賬項及票據減值撥備之變動如下：

		Group 集團	
		2008	2007
		HK\$'000	HK\$'000
於4月1日	At 1 April	141,404	140,111
已確認減值虧損	Impairment losses recognised	30	1,293
列作無法收回之撇銷款項	Amount written off as uncollectible	(11,719)	-
減值虧損回撥	Impairment losses reversed	(1,837)	-
於3月31日	At 31 March	127,878	141,404

以上應收賬項及票據減值撥備包括就賬面值港幣127,878,000元(2007年：港幣141,404,000元)之個別應收賬項及票據作出減值撥備港幣127,878,000元(2007年：港幣141,404,000元)。該等個別出現減值之應收賬款及票據涉及陷入財政困境或違約或拖欠還款之客戶，並預計只能追回一部分有關應收賬項。本集團並無就該等結餘持有任何抵押品或其他信貸提升。

21. TRADE AND BILLS RECEIVABLES (Continued)

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 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 impairment, is as follows:

The movements in provision for impairment of trade and bills receivables are as follows:

Included in the above provision for impairment of trade and bills receivables is a provision for individually impaired trade receivables of HK\$127,878,000 (2007: HK\$141,404,000) with a carrying amount of HK\$127,878,000 (2007: HK\$141,404,000). The individually impaired trade and bills receivables relate to customers that were in financial difficulties or in default or delinquency in payments and only a portion of the receivables is expected to be recovered. The Group does not hold any collateral or other credit enhancements over these balances.

21. 應收賬項及票據(續)

被視為未減值之應收賬項及票據之賬齡分析如下：

並非逾期或減值	Neither past due nor impaired
逾期少於1個月	Less than 1 month past due
逾期1個月或以上	1 month and over 1 month past due

並非逾期或減值之應收賬項及票據與大量不同背景之客戶有關，而彼等近期並無欠款紀錄。

已逾期但未減值之應收賬項及票據與多名與本集團有良好還款記錄之獨立客戶有關。根據過往經驗，本公司董事認為毋須就該等結餘作出減值撥備，因為信貸質素並無重大變動，而該等結餘仍被視為可全數收回。本公司並無就該等結餘持有任何抵押品或其他信貸提升。

22. 預付款項、訂金及其他應收賬項及租賃按金

本公司之其他應收賬項及本集團之預付款項、訂金及其他應收賬項及租賃按金為免息，且其賬面值與其公平值相若。概無上述資產已逾期或已減值。金融資產(包括上述有關應收賬項之結餘)並無欠款紀錄。

23. 透過損益按公平值計算之金融資產

海外非上市投資基金， 按公平值	Overseas unlisted investment funds, at fair value
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由於該資產為一組根據既定風險管理策略以公平值基準管理及評估表現之金融資產之部分，上述投資基金於初次確認後，於2008年3月31日經集團劃分為透過損益按公平值計算之金融資產。

21. TRADE AND BILLS RECEIVABLES (Continued)

An aged analysis of the trade and bills receivables that are not considered to be impaired is as follows:

		Group 集團	
		2008	2007
		HK\$'000	HK\$'000
並非逾期或減值	Neither past due nor impaired	7,605	9,632
逾期少於1個月	Less than 1 month past due	2,669	5,200
逾期1個月或以上	1 month and over 1 month past due	2,731	3,769
		13,005	18,601

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Company does not hold any collateral or other credit enhancements over these balances.

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. None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

		Group 集團	
		2008	2007
		HK\$'000	HK\$'000
海外非上市投資基金， 按公平值	Overseas unlisted investment funds, at fair value	236,792	—

The above investment funds at 31 March 2008 were, upon initial recognition, designated by the Group as financial assets as at fair value through profit or loss as the assets are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy.

24. 現金及現金等值項目

24. CASH AND CASH EQUIVALENTS

		Group 集團		Company 公司	
		2008	2007	2008	2007
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
現金及銀行結餘	Cash and bank balances	42,520	66,212	599	383
定期存款	Time deposits	638,099	899,045	–	–
現金及現金等值項目	Cash and cash equivalents	680,619	965,257	599	383

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20,810,000元（2007年：港幣38,686,000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。

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi (“RMB”) amounted to approximately HK\$20,810,000 (2007: HK\$38,686,000). 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.

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。銀行結餘及已抵押存款均存於信譽良好且並沒有欠款紀錄之銀行。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。

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 bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents and long term time deposits approximate to their fair values.

25. 應付賬項及票據

25. TRADE AND BILLS PAYABLES

根據購買貨品及獲得服務之日期計算，應付賬項及票據於結算日之賬齡分析如下：

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	
		2008	2007
		HK\$'000	HK\$'000
即期至3個月	Current to 3 months	18,697	11,498
3個月以上	Over 3 months	2,637	5,111
		21,334	16,609

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.

26. 應計負債及其他應付賬項

本公司及本集團之應計負債及其他應付賬項為免息，其賬面值與其公平值相若。

26. ACCRUED LIABILITIES AND OTHER PAYABLES

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

27. 遞延稅項

年內遞延稅項負債及資產變動如下：

27. DEFERRED TAX

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

遞延稅項負債

Deferred tax liabilities

Group
集團

		Revaluation of property, plant and equipment/ investment properties 重估物業、 廠房及設備/ 投資物業 HK\$'000	Depreciation allowance in excess of related depreciation 超過相關 折舊費用之 折舊免稅額 HK\$'000	Losses available for offset against future taxable profits 可供抵消 未來應課稅 溢利之虧損 HK\$'000	Total 總計 HK\$'000
於2006年4月1日	At 1 April 2006	-	4,663	(2,575)	2,088
年內於損益賬扣除／(增加) 之遞延稅項（附註11）	Deferred tax charged/(credited) to the income statement during the year (note 11)	-	(640)	1,119	479
於股本權益扣除之遞延稅項	Deferred tax charged to equity	3,057	-	-	3,057
於2007年3月31日及 2007年4月1日於 綜合資產負債表確認 之遞延稅項負債總額	Gross deferred tax liabilities recognised in the consolidated balance sheet at 31 March 2007 and 1 April 2007	3,057	4,023	(1,456)	5,624
年內於損益賬扣除／(增加) 之遞延稅項（附註11）	Deferred tax charged/(credited) to the income statement during the year (note 11)	6,427	(2,001)	1,004	5,430
於2008年3月31日於 綜合資產負債表確認之 遞延稅項負債總額	Gross deferred tax liabilities recognised in the consolidated balance sheet at 31 March 2008	9,484	2,022	(452)	11,054

27. 遞延稅項(續)

遞延稅項資產

Group

集團

27. DEFERRED TAX (Continued)

Deferred tax assets

		Provision against inventories	Depreciation expense in excess of related allowance	Impairment on trade and bills receivables	Losses available for offset against future taxable profits	Total
		存貨撥備	超過相關折舊免稅額之折舊費用	應付賬項及票據減值	可供抵消未來應課稅溢利之虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於2006年4月1日	At 1 April 2006	(37)	(536)	(5,539)	(5,608)	(11,720)
年內於損益賬扣除之遞延稅項(附註11)	Deferred tax charged to the income statement during the year (note 11)	3	415	5,539	166	6,123
於2007年3月31日及2007年4月1日於綜合資產負債表確認之遞延稅項資產總額	Gross deferred tax assets recognised in the consolidated balance sheet at 31 March 2007 and 1 April 2007	(34)	(121)	-	(5,442)	(5,597)
年內於損益賬扣除/(增加)之遞延稅項(附註11)	Deferred tax charged/(credited) to the income statement during the year (note 11)	17	(65)	-	(747)	(795)
於2008年3月31日於綜合資產負債表確認之遞延稅項資產總額	Gross deferred tax assets recognised in the consolidated balance sheet at 31 March 2008	(17)	(186)	-	(6,189)	(6,392)

於2008年3月31日，本集團香港之稅項虧損為港幣19,258,000元(2007年：港幣24,975,000元)，以及可扣減暫時性差異為港幣141,745,000元(2007年：港幣141,745,000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2008年3月31日，就本集團附屬公司若干不能免除之應付稅項而言，並無重大未入賬之遞延稅項負債(2007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 2008, the Group had tax losses arising in Hong Kong of HK\$19,258,000 (2007: HK\$24,975,000) and deductible temporary differences of HK\$141,745,000 (2007: HK\$141,745,000) 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 2008, there was no significant unrecognised deferred tax liability (2007: Nil) for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiaries as the Group has no liability to additional tax should such amounts be remitted.

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

28. 股本

股本

28. SHARE CAPITAL

Shares

		2008 HK\$'000	2007 HK\$'000
法定：	Authorised:		
普通股2,000,000,000股 (2007年：2,000,000,000股)	2,000,000,000 (2007: 2,000,000,000)		
每股面值港幣一角	ordinary shares of HK\$0.10 each	200,000	200,000
已發行及繳足：	Issued and fully paid:		
普通股1,163,828,377股 (2007年：1,163,828,377股)	1,163,828,377 (2007: 1,163,828,377)		
每股面值港幣一角	ordinary shares of HK\$0.10 each	116,383	116,383

購股權

本公司購股權計劃之詳情載於財務報表附註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、分包商或專家，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, advisor, consultant, strategist, contractor, subcontractor or 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)

根據新計劃，現時容許授出而尚未行使之最高數目購股權乃指於2002年8月30日行使時佔本公司不時已發行股份10%。於2007年及2008年3月31日，並無於舊計劃及新計劃下尚未行使之購股權。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 New Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at 30 August 2002. At 31 March 2007 and 2008, there were no outstanding share options granted under either the Old Scheme or the New Scheme. 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47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 page 47 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2006年4月1日	At 1 April 2006		478,773	1,619	193,340	294	674,026
年度溢利	Profit for the year	12	-	-	-	106,213	106,213
2007年中期股息	2007 Interim dividend	13	-	-	-	(44,225)	(44,225)
2007年擬派末期股息	2007 Proposed final dividend	13	-	-	-	(60,519)	(60,519)
於2007年3月31日 及2007年4月1日	At 31 March 2007 and 1 April 2007		478,773	1,619	193,340	1,763	675,495
年度溢利	Profit for the year	12	-	-	-	103,354	103,354
2008年中期股息	2008 Interim dividend	13	-	-	-	(11,638)	(11,638)
2008年中期特別股息	2008 Interim special dividend	13	-	-	-	(32,587)	(32,587)
2008年擬派末期股息	2008 Proposed final dividend	13	-	-	-	(10,474)	(10,474)
2008年擬派末期特別股息	2008 Proposed final special dividend	13	-	-	-	(50,045)	(50,045)
於2008年3月31日	At 31 March 2008		478,773	1,619	193,340	373	674,105

本公司之實繳盈餘為所收購附屬公司股份之公平值超逾本公司就此作出交換而發行之股份之賬面值之部分。根據百慕達1981年公司法(經修訂)，一間公司可於若干情況下自實繳盈餘向其股東作出分派。

The Company's contributed surplus represents the excess of the fair value of the shares of the subsidiaries acquired over the nominal value of the Company's shares issued in exchange therefor. Under the Companies Act 1981 of Bermuda (as amended), a company may make distributions to its members out of the contributed surplus in certain circumstances.

31. 綜合現金流動表附註

31. NOTE TO THE CONSOLIDATED CASH FLOW STATEMENT

		2008 HK\$'000	2007 HK\$'000
於3月31日綜合資產 負債表之現金及現金 等值項目(附註24)	Cash and cash equivalents for the purpose of the consolidated balance sheet as at 31 March (note 24)	680,619	965,257
於購入時原到期日 超過三個月 之無抵押定期存款	Non-pledged time deposits with original maturity of more than three months when acquired	(313,179)	(628,569)
於3月31日綜合現金 流動表之現金及 現金等值項目	Cash and cash equivalents for the purpose of the consolidated cash flow statement as at 31 March	367,440	336,688

32. 或然負債

- (a) 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	
		2008 HK\$'000	2007 HK\$'000	2008 HK\$'000	2007 HK\$'000
向附屬公司 所獲銀行 信貸作出擔保	Guarantees given to banks in connection with facilities granted to subsidiaries	-	-	636,000	714,000

本公司就附屬公司所獲銀行信貸而作出港幣636,000,000元(2007年：港幣714,000,000元)之擔保，其中應付票據合共港幣12,868,000元(2007年：港幣7,880,000元)於結算日已獲附屬公司提用。

- (b) 於往年及本年度，稅務局向本集團發出數份查詢信件，內容有關動用本集團若干全資附屬公司於過往數年結轉之稅項虧損港幣232,000,000元(2007年：港幣221,000,000元)。本集團現正收集有關資料以證明這些稅務虧損適用，董事認為本集團有足夠的證明支持本集團的立場。由於董事認為現在估計該查詢的結果過早，故於2008年3月31日不會作出撥備。

33. 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16)，經磋商訂定租期為1至5年(2007年：1至5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。

32. CONTINGENT LIABILITIES

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

		Group 集團		Company 公司	
		2008 HK\$'000	2007 HK\$'000	2008 HK\$'000	2007 HK\$'000
向附屬公司 所獲銀行 信貸作出擔保	Guarantees given to banks in connection with facilities granted to subsidiaries	-	-	636,000	714,000

Out of the HK\$636,000,000 (2007: HK\$714,000,000) corporate guarantees to banks in respect of banking facilities granted to subsidiaries by the Company, bills payable totalling HK\$12,868,000 (2007: HK\$7,880,000) were utilised by the subsidiaries at the balance sheet date.

- (b) In prior and the current years, the Inland Revenue Department issued various enquiry letters to the Group in relation to the setting off of tax losses of HK\$232,000,000 (2007: HK\$221,000,000) which were carried forward by certain wholly-owned subsidiaries of the Group in prior years. The Group is now gathering relevant information to support the setting off of the tax losses, and the directors are of the opinion that there is adequate evidence to support the Group's position. As the directors considered that it is premature to draw a conclusion on the possible outcome of the enquiry, no provision was made as of 31 March 2008.

33. OPERATING LEASE ARRANGEMENTS

- (a) As lessor

The Group leases its investment properties (note 16 to the financial statements) under operating lease arrangements, with leases negotiated for terms ranging from one to five years (2007: one to five 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.

33. 經營租約安排 (續)

(a) 出租人 (續)

於2008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	
		2008 HK\$'000	2007 HK\$'000
1年內	Within one year	4,785	3,809
2至5年 (包括首尾2年)	In the second to fifth years, inclusive	4,662	6,378
		9,447	10,187

(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3年(2007年：1至3年)。

於2008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：

33. OPERATING LEASE ARRANGEMENTS (Continued)

(a) As lessor (Continued)

At 31 March 2008, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		Group 集團	
		2008 HK\$'000	2007 HK\$'000
1年內	Within one year	4,785	3,809
2至5年 (包括首尾2年)	In the second to fifth years, inclusive	4,662	6,378
		9,447	10,187

(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 three years (2007: one to three years).

At 31 March 2008, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		Group 集團	
		2008 HK\$'000	2007 HK\$'000
1年內	Within one year	27,947	26,999
2至5年 (包括首尾2年)	In the second to fifth years, inclusive	20,058	21,943
		48,005	48,942

於結算日，本公司並無任何經營租賃安排(2007年：無)。

The Company did not have any operating lease arrangements as at the balance sheet date (2007: Nil).

34. 關連人士交易

(a) 預付賬項、訂金及其他應收賬項內一間附屬公司少數股東之欠款合共港幣5,996,000元(2007年：港幣5,996,000元)，為無抵押、免息及無固定還款期。

(b) 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9。

34. RELATED PARTY TRANSACTIONS

(a) Included in prepayments, deposits and other receivables is an amount due from a minority shareholder of a subsidiary totalling HK\$5,996,000 (2007: HK\$5,996,000) which is unsecured, non-interest-bearing and has no specific terms of repayment.

(b) The Group's key management personnel are the directors of the Company. Further details of directors' remuneration are included in note 9 to the financial statements.

35. 以類別劃分之金融工具

各類金融工具於結算日之賬面值如下：

2008

Financial assets

金融資產

			Group 集團	
		Financial assets at fair value through profit or loss – designated as such upon initial recognition 於初次確認 後劃分為透過損益 按公平值計算之金融資產	Loans and receivables 貸款及應收賬項	Total 總計
		HK\$'000	HK\$'000	HK\$'000
應收賬項及票據	Trade and bills receivables	–	13,005	13,005
訂金及其他應收賬項	Deposits and other receivables	–	15,101	15,101
透過損益按公平值計算 之金融資產	Financial assets at fair value through profit or loss	236,792	–	236,792
現金及現金等值項目	Cash and cash equivalents	–	680,619	680,619
		236,792	708,725	945,517

Financial liabilities

金融負債

			Financial liabilities at amortised cost 以攤銷成本入賬 之金融負債
			HK\$'000
應付賬項及票據	Trade and bills payables		21,334
其他應付賬項	Other payables		37,089
			58,423

35. 以類別劃分之金融工具(續)

各類金融工具於結算日之賬面值如下:(續)

2007

Financial assets

金融資產

		Group 集團 Loans and receivables 貸款及應收賬項 HK\$'000
應收賬項及票據	Trade and bills receivables	18,601
訂金及其他應收賬項	Deposits and other receivables	22,109
現金及現金等值項目	Cash and cash equivalents	965,257
		1,005,967

Financial liabilities

金融負債

		Financial liabilities at amortised cost 以攤銷成本入賬 之金融負債 HK\$'000
應付賬項及票據	Trade and bills payables	16,609
其他應付賬項	Other payables	37,618
		54,227

Financial assets – Loans and receivables

金融資產—貸款及應收賬項

		Company 公司	
		2008 HK\$'000	2007 HK\$'000
應收附屬公司欠款	Due from a subsidiary	60,519	60,519
其他應收賬項	Other receivables	6	6
現金及現金等值項目	Cash and cash equivalents	599	383
		61,124	60,908

35. 以類別劃分之金融工具 (續)

各類金融工具於結算日之賬面值如下：(續)

金融負債—以攤銷成本入賬之金融負債

		Company 公司	
		2008	2007
		HK\$'000	HK\$'000
其他應付賬項	Other payables	15	15

36. 財務風險管理目標及政策

本集團之主要金融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營運籌集資金。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以及應付賬項及票據，均直接由其業務產生。

本集團金融工具所面對之主要風險為利率風險、信貸風險、流動資金風險及股本價格風險。董事會檢討及同意管理每項風險之政策，並概述如下。

利率風險

本集團所面對之市場利率變動風險主要與本集團銀行結餘所收取之利息收入有關。本集團之利息產生資產主要以港元及美元計值。本集團藉定期監察可能對利率有影響之宏觀經濟因素而管理其利率風險。

倘利率提高0.5%而其他可變因素維持不變：

- 本年度溢利將會增加港幣3,000,000元 (2007年：港幣4,000,000元)，此乃由於利息收入增加所致；及
- 股本權益總額將增加港幣3,000,000元 (2007年：港幣4,000,000元)，此乃由於利息收入增加所致。

倘利率降低0.5%而其他可變因素維持不變：

- 本年度溢利將會減少港幣3,000,000元 (2007年：港幣4,000,000元)，此乃由於利息收入減少所致；及
- 股本權益總額將減少港幣3,000,000元 (2007年：港幣4,000,000元)，此乃由於利息收入減少所致。

35. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

The carrying amounts of each of the categories of financial instruments as at the balance sheet dates are as follows:
(Continued)

Financial liabilities – Financial liabilities at amortised cost

		Company 公司	
		2008	2007
		HK\$'000	HK\$'000
其他應付賬項	Other payables	15	15

36. 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 and trade and bills payables, which arise directly from its operations.

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

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the interest income received on the Group's bank balances. The Group's interest-generating assets are mainly denominated in Hong Kong dollar and United States dollar. The Group manages its interest rate risk by regularly monitoring the macro-economic factors that may impact on the interest rates.

If the interest rates have been 0.5% higher while all other variables are held constant:

- profit for the year would increase by HK\$3,000,000 (2007: HK\$4,000,000) due to increase in interest income; and
- total equity would increase by HK\$3,000,000 (2007: HK\$4,000,000) due to increase in interest income.

If the interest rates have been 0.5% lower while all other variables are held constant:

- profit for the year would decrease by HK\$3,000,000 (2007: HK\$4,000,000) due to decrease in interest income; and
- total equity would decrease by HK\$3,000,000 (2007: HK\$4,000,000) due to decrease in interest income.

36. 財務風險管理目標及政策 (續)

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，因此本集團須承受之壞賬風險並非重大。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、定期存款及預付款項、訂金及其他應收賬項)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。

由於本集團只會與經認可及信譽良好之第三方交易，所以無須提供抵押品。

流動資金風險

本集團將持續維持穩健之融資政策，並致力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。

本集團於結算日按合約非貼現支出之金融負債之到期情況如下：

		On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
		按要求償還	少於3個月	3至12個月	1至5年	超過5年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
31 March 2008							
於2008年3月31日							
應付賬項及票據	Trade and bills payables	3,714	17,620	-	-	-	21,334
其他應付賬項	Other payables	8,116	28,973	-	-	-	37,089
		11,830	46,593	-	-	-	58,423
31 March 2007							
於2007年3月31日							
應付賬項及票據	Trade and bills payables	2,784	13,825	-	-	-	16,609
其他應付賬項	Other payables	6,210	31,408	-	-	-	37,618
		8,994	45,233	-	-	-	54,227

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

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

The maturity profile of the Group's financial liabilities as at the balance sheet date, based on the contracted undiscounted payments, was as follows:

36. 財務風險管理目標及政策 (續)**股本價格風險**

本集團面對之股本價格風險與本集團持有之透過損益按公平值計算之金融資產有關。本集團透過分散投資組合以控制其股本價格。根據本集團定期審核之核准規限，分散投資組合已經完成。

倘股本價格提高5%而其他可變因素維持不變：

- 本年度溢利將會增加港幣12,000,000元(2007年：無)，此乃由於透過損益按公平值計算之金融資產之收益增加所致；及
- 股本權益總額將會增加港幣12,000,000元(2007年：無)，此乃由於透過損益按公平值計算之金融資產之收益增加所致。

倘股本價格降低5%而其他可變因素維持不變：

- 本年度溢利將會減少港幣12,000,000元(2007年：無)，此乃由於透過損益按公平值計算之金融資產之收益減少所致；及
- 股本權益總額將會減少港幣12,000,000元(2007年：無)，此乃由於透過損益按公平值計算之金融資產之收益減少所致。

資本管理

本集團資本管理之主要目標為保障本集團以持續經營方式繼續營運以及維持穩健之資本比率、以支持其業務及提高股東價值。

本集團因應經濟狀況而管理其資本架構以及對此作出調整。本集團可能調整向股東派發之股息、向股東返還資本或發行新股份以維持或調整資本架構。截至2008年3月31日及2007年3月31日止年度，有關目標、政策或程序並無變動。

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**Equity price risk**

The Group's main equity price risk exposures relate to the Group's holdings of financial assets at fair value through profit or loss. The Group controls its equity price risk through diversification of the portfolio. Diversification of the portfolio is done in accordance with approved limits which are regularly reviewed by the Group.

If the equity prices have been 5% higher while all other variables are held constant:

- profit for the year would increase by HK\$12,000,000 (2007: Nil) due to increase in gains on financial assets at fair value through profit or loss; and
- total equity would increase by HK\$12,000,000 (2007: Nil) due to increase in gains on financial assets at fair value through profit or loss.

If the equity prices have been 5% lower while all other variables are held constant:

- profit for the year would decrease by HK\$12,000,000 (2007: Nil) due to decrease in gains on financial assets at fair value through profit or loss; and
- total equity would decrease by HK\$12,000,000 (2007: Nil) due to decrease in gains on financial assets at fair value through profit or loss.

Capital management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2008 and 31 March 2007.

36. 財務風險管理目標及政策 (續)

資本管理 (續)

本集團利用流動比率(即流動資產除以流動負債)監察資本。本集團之政策為維持流動比率高於100%。流動資產包括存貨、應收賬項及票據、預付款項、訂金及其他應收賬項、透過損益按公平值計算之金融資產、可收回稅項及現金及現金等值項目。流動負債包括應付賬項及票據、應計負債及其他應付賬項。

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Capital management (Continued)

The Group monitors capital using a current ratio, which is current assets divided by current liabilities. The Group's policy is to keep the current ratio above 100%. Current assets include inventories, trade and bills receivables, prepayments, deposits and other receivables, financial assets at fair value through profit or loss, tax recoverable and cash and cash equivalents. Current liabilities include trade and bills payables, accrued liabilities and other payables.

		2008 HK\$'000	2007 HK\$'000
流動資產總值	Total current assets	977,046	1,033,704
流動負債總值	Total current liabilities	(85,653)	(104,929)
流動資產淨值	Net current assets	891,393	928,775
流動比率	Current ratio	1,141%	985%

37. 比較數字

承如財務報表附註5所披露，由於本年度分類資料呈列方式有所變動，若干比較數字以作重列，以符合本年度呈報方式。

37. COMPARATIVE AMOUNTS

As further explained in note 5 to the financial statements, due to the change in the presentation of segment information during the year, certain comparative amounts have been restated to conform with the current year's presentation.

38. 批准財務報表

董事會於2008年6月26日批准及授權發行此財務報表。

38. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 26 June 2008.

Location 位置		Category of lease 租約類別	Existing use 現時用途
香港 九龍紅磡 馬頭圍道21號 義達工業大廈1樓D單位 地下停車位16及17號及 地下低層停車位10號	Unit D on the 1st Floor and Car Park Space Nos. 16 and 17 on the Ground Floor and Car Park Space No. 10 on the Lower Ground Floor Eldex Industrial Building 21 Ma Tau Wai Road Hungghom Kowloon Hong Kong	Medium term leasehold 中期租約	Warehouse 貨倉
中華人民共和國 廣東省 珠海市 吉大石花西路119號 第一廠房及第二廠房	Nos. 1 and 2 Factory 119, Ji Dai Shi Hua West Road Zhuhai City Guangdong Province People's Republic of China	Medium term leasehold 中期租約	Factory 廠房
中華人民共和國 上海 黃埔區 仁安東路588號 東海商業中心8樓	8th Level, Donghai Commercial Centre 588 Yan An East Road Huang Pu District Shanghai People's Republic of China	Medium term leasehold 中期租約	Commercial 商業
香港 新界 德士古道220-248號 荃灣工業中心23樓 2301, 2303, 2305及2307室	Units 2301, 2303, 2305 and 2307 on 23rd Floor, Tsuen Wan Industrial Centre Nos. 220-248 Texaco Road New Territories Hong Kong	Medium term leasehold 中期租約	Commercial 商業
香港 新界 德士古道220-248號 荃灣工業中心21樓 2109-2116室	Units 2109-2116 on 21st Floor Tsuen Wan Industrial Centre Nos. 220-248 Texaco Road New Territories Hong Kong	Medium term leasehold 中期租約	Commercial 商業
香港 九龍 高輝道7號 高輝工業大廈6樓6室及 C座地下車輛泊位號碼37, 51及60號	Units No. 6 on 6th Floor together with Vehicle Parking Spaces Nos. 37, 51 and 60 on Ground Floor, Block C Ko Fai Industrial Building No. 7 Ko Fai Road Kowloon Hong Kong	Medium term leasehold 中期租約	Commercial 商業

Location 位置		Category of lease 租約類別	Existing use 現時用途
香港 新界 德士古道220-248號 荃灣工業中心25樓 2509, 2511-16室及 1樓車輛停泊號碼23號	Units 2509, 2511-16 on 25th Floor and Vehicle Parking Space No. 23 on 1st Floor Tsuen Wan Industrial Centre Nos. 220-248 Texaco Road New Territories Hong Kong	Medium term leasehold 中期租約	Commercial 商業
中華人民共和國 廣東省 廣州 東山區農林下路 83號廣發金融大廈 27層樓全層及車輛停泊號碼37, 38及39號	Whole of 27th Level and Car Parking Space Nos. 37, 38 and 39 Guang Fa Bank Building No.83 Lower Long Lin Road Dongshan District Guangzhou Guangdong Province People's Republic of China	Long term leasehold 長期租約	Commercial 商業
中華人民共和國 北京 方庄芳群園 第四區 金城中心 14樓1401-1408室	Units 1401-1408 on 14th Level Jin Cheng Zhong Xin 4th District, Fang Qun Garden Fang Zhuang District Beijing People's Republic of China	Medium term leasehold 中期租約	Commercial 商業
中華人民共和國 北京 朝陽區 建國門外大街 永安東里三塊板4號 麗晶苑 20樓C單位 及車輛停泊號碼32號	Unit C on Level 20 and Car Parking Space No. 32 Regent Court No. 4 San Kuai Ban Yong An Dong Li Jian Guo Men Wai Da Jie Chao Yang District Beijing People's Republic of China	Long term leasehold 長期租約	Commercial 商業
中華人民共和國 上海 長寧區 延安西路2077號 金橋大廈 17/18樓4室及 1樓車輛停泊號碼10號	Unit No.4 on Levels 17/18 together with Car Parking Space No. 10 on 1/F Golden Bridge Mansion 2077 Yan An Road West Changning District Shanghai People's Republic of China	Long term leasehold 長期租約	Commercial 商業

Corporate Information

公司資料

董事會

孫大倫(主席)

執行董事

吳玉華

孫道弘

鄧國榮

獨立非執行董事

區文中

李家暉

劉暉

黃子欣

公司秘書

陳蕙君

主要銀行

中國銀行(香港)有限公司

中國工商銀行(亞洲)有限公司

三菱東京UFJ銀行

香港上海滙豐銀行有限公司

律師

何耀棟律師事務所

核數師

安永會計師事務所

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荃灣工業中心8樓

主要股份過戶登記處

Butterfield Fund Services
(Bermuda) Limited

Rosebank Centre

11 Bermudiana Road

Pembroke, HM08, Bermuda

香港過戶登記處分處

卓佳登捷時有限公司

香港灣仔

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金鐘匯中心26樓

Board of Directors

Sun Tai Lun Dennis (*Chairman*)

Executive Directors

Ng Yuk Wah Eileen

Sun Tao Hung Stanley

Tang Kwok Tong Simon

Independent Non-executive Directors

Au Man Chung Malcolm

Li Ka Fai David

Liu Hui Allan

Wong Chi Yun Allan

Company Secretary

Chan Wai Kwan Rita

Principal Bankers

Bank of China (Hong Kong) Limited

Industrial and Commercial Bank of China (Asia) Limited

The Bank of Tokyo-Mitsubishi UFJ, Limited

The Hongkong and Shanghai Banking Corporation Limited

Solicitors

Gallant Y. T. Ho & Co.

Auditors

Ernst & Young

Registered Office

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

Principal Office in Hong Kong

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Principal Share Registrar and Transfer Office

Butterfield Fund Services
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Rosebank Centre

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Pembroke, HM08, Bermuda

Hong Kong Share Registrar and Transfer Office

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Wanchai, Hong Kong



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