

1. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these accounts are set out below:

(a) Basis of preparation

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants (“HKSA”). They have been prepared under the historical cost convention.

In the current year, the Group adopted the following Statements of Standard Accounting Practice (“SSAPs”) issued by the HKSA which are effective for accounting periods commencing on or after 1 January 2002:

SSAP 1 (revised)	:	Presentation of financial statements
會計實務準則第1號(經修訂)	:	財務報表之呈報
SSAP 11 (revised)	:	Foreign currency translation
會計實務準則第11號(經修訂)	:	外幣換算
SSAP 15 (revised)	:	Cash flow statements
會計實務準則第15號(經修訂)	:	現金流量表
SSAP 34 (revised)	:	Employee benefits
會計實務準則第34號(經修訂)	:	僱員福利

The adoption of these new or revised SSAPs did not have a material impact on the Group’s results except for the reclassification of the consolidated cash flow statement into operating, investing and financing activities and the presentation of consolidated statement of changes in equity.

(b) Group accounting

(i) Consolidation

The consolidated accounts include the accounts of the Company and its subsidiaries made up to 30 June. Subsidiaries are those entities in which the Group controls. Subsidiaries are those entities in which the Company, directly or indirectly, controls more than one half of the voting power; has the power to govern the financial and operating policies; to appoint or remove the members of the board of directors; or to cast majority of votes at the meeting of the board of directors.

1. 主要會計政策

於編製此等財務報表時採納之主要會計政策載列如下：

(a) 編製基準

本財務報表乃根據香港公認之會計政策編製，並遵照香港會計師公會頒佈之會計準則。本財務報表乃根據歷史成本慣例編製。

於本年度，本集團採納以下由香港會計師公會所頒佈之會計實務準則（「會計實務準則」），而有關準則由二零零二年一月一日或之後之會計期間生效：

採納此等新增或經修訂會計實務準則對本集團的業績並無重大影響，惟須將綜合現金流量表重新分類為經營、投資及融資活動，以及須呈報綜合權益變動表。

(b) 集團會計

(i) 綜合賬目

綜合賬目包括本公司及其附屬公司截至六月三十日之賬目。附屬公司乃本集團有權控制之實體。附屬公司乃本公司直接或間接控制超過一半投票權；有權規管財務及營運政策；可委任或撤換董事會成員；或於董事會會議上擁有大部份投票權的實體。



1. PRINCIPAL ACCOUNTING POLICIES*(Continued)***(b) Group accounting** *(Continued)**(i) Consolidation* *(Continued)*

The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant intercompany transactions and balances within the Group are eliminated on consolidation.

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any unamortised goodwill or goodwill taken to reserves and which was not previously charged or recognised in the consolidated profit and loss account.

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

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

(ii) Associated company

An associated company is a company, not being a subsidiary or a joint venture, in which an equity interest is held for the long-term and significant influence is exercised in its management.

The consolidated profit and loss account includes the Group's share of the results of the associated company for the year, and the consolidated balance sheet includes the Group's share of the net assets of the associated company.

1. 主要會計政策 (續)**(b) 集團會計** *(續)**(i) 綜合賬目* *(續)*

於年內收購或出售之附屬公司之業績乃由收購有效日期起或截至出售有效日期止(視乎適當情況而定)計入綜合損益表。

本集團內各公司間之一切重大交易及結餘已於綜合賬目時對銷。

出售附屬公司之收益或虧損乃指出售所得款項與本集團攤佔其淨資產連同任何尚未攤銷商譽或已計入儲備之商譽之差額，而有關差額先前未曾於綜合損益表扣除或確認。

少數股東權益乃指外界股東於附屬公司之營運業績及淨資產之權益。

於本公司之資產負債表，附屬公司投資乃按成本扣除減值虧損撥備列賬。本公司根據已收及應收股息計算附屬公司之權益。

(ii) 聯營公司

聯營公司為除附屬公司或合營企業外，集團持有其股權作長期投資，並對其管理具有重大影響力之公司。

綜合損益表包括集團應佔聯營公司之本年度業績，而綜合資產負債表則包括集團應佔聯營公司之資產淨值。



1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Group accounting (Continued)

(ii) Associated company (Continued)

Equity accounting is discontinued when the carrying amount of the investment in the associated company reaches zero, unless the Group has incurred obligations or guaranteed obligations in respect of the associated company.

(iii) Translation of foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Assets and liabilities expressed in foreign currencies at the balance sheet date are translated at rates of exchange ruling at the balance sheet date. Exchange differences arising in these cases are dealt with in the profit and loss account.

The balance sheets of subsidiaries and the associated company expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst the profit and loss is translated at an average rate. Exchange differences are dealt with as a movement in reserves.

(c) Fixed assets

(i) Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Fixed assets are depreciated at rates sufficient to write off their costs less accumulated impairment losses over their estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Leasehold improvements 租賃物業裝修	15% or over the terms of the leases 15%或按租約年期
Furniture and fixtures 傢俬及裝置	15% – 20% 15% – 20%
Broadcast operations and other equipment 廣播營運及其他設備	20% 20%
Motor vehicles 汽車	20% 20%

1. 主要會計政策 (續)

(b) 集團會計 (續)

(ii) 聯營公司 (續)

當聯營公司之投資賬面值已全數撇銷，便不再採用權益會計法，除非集團就該聯營公司已產生承擔或有擔保之承擔。

(iii) 外幣換算

以外幣為本位的交易，均按交易當日的匯率折算。於結算日以外幣顯示的資產與負債則按結算之匯率折算。由此產生的匯兌盈虧均計入損益表。

附屬公司及聯營公司以外幣顯示之資產負債表均按結算日的匯率折算，而損益表則按平均匯率折算。由此產生的匯兌盈虧作為儲備變動入賬。

(c) 固定資產

(i) 固定資產乃按成本減累積折舊及累積減值虧損列賬。

固定資產乃以直線法，按足以於其估計可使用年期撇銷其成本扣除累積減值虧損的年率折舊。主要的折舊年率如下：



1. PRINCIPAL ACCOUNTING POLICIES*(Continued)***(c) Fixed assets** *(Continued)**(ii) Impairment and gain or loss on sale*

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that assets included in fixed assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit and loss account.

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

(d) Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating leases net of any incentives received from the leasing company are charged to the profit and loss account on a straight-line basis over the lease periods.

(e) Purchased programme and film rights

Purchased programme and film rights and the related accruals are recorded at cost less accumulated amortisation and any impairment losses. The cost of purchased programme and film rights is charged to the profit and loss account either on the first and second showing of such purchased programme and film rights or amortised over the licence period if the licence allows multiple showings within the licence period. Purchased programme and film rights with a remaining licence period of twelve months or less are classified as current assets.

1. 主要會計政策 (續)**(c) 固定資產 (續)***(ii) 減值及於出售的收益或虧損*

在每年結算日，固定資產項內的資產皆透過集團內部及外界所獲得的資訊，評核該等資產有否耗蝕。如有跡象顯示該等資產出現耗蝕，則估算其可收回價值，及在合適情況下將減值虧損入賬以將資產減至其可收回價值。此等減值虧損在損益表入賬。

出售固定資產的收益或虧損將列算於損益表內。出售固定資產的收益或虧損乃出售所得收入淨額與資產賬面值的差額。

(d) 經營租賃

經營租賃是指實質上由出租公司保留擁有資產的風險及回報的租賃。因經營租賃而支付的款額，在扣除自出租公司收取的任何獎勵金後，於租賃期內以直線法在損益表中支銷。

(e) 購入節目及電影版權

購入節目及電影版權及有關應計款項乃按成本扣除累積攤銷及任何減值虧損列賬。購入節目及電影版權成本於該等購入節目及電影首次及第二次播映時在損益表記賬，或根據版權規定，可在版權限期內播映多次，則在該版權限期內攤銷。餘下許可期為十二個月或以下的節目及電影版權列作流動資產。



1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(f) Self-produced programmes

Self-produced programmes are stated at cost less provision for obsolescence where considered necessary by the Directors. Cost comprises the production costs of the programmes which consist of direct expenditures and an appropriate portion of production overheads. The production costs of the self-produced programmes are charged to the profit and loss account in accordance with a formula computed to write off the cost over their anticipated revenue pattern on an accelerated basis. Revenue estimates are reviewed periodically and amortisation is adjusted, if necessary.

(g) Inventories

Inventories, comprising decoder devices and satellite receivers, are stated at the lower of cost and net realisable value.

Cost, calculated on the first-in, first-out basis, comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

(h) Accounts receivable

Provision is made against accounts receivable to the extent they are considered to be doubtful. Accounts receivable in the balance sheet are stated net of such provision.

(i) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, cash investments with a maturity of three months or less from date of investment and short-term bank loan.

(j) Deferred income

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

1. 主要會計政策 (續)

(f) 自製節目

自製節目乃按成本減董事認為所需的過期準備列賬。成本包括節目的製作成本，當中包括直接支出及適當比例の間接製作費用。自製節目的製作成本乃根據於其預計收益模式按加速基準撇銷成本之公式計算後於損益表記賬。估計收入將定期審閱，如有需要，將對攤銷作出調整。

(g) 存貨

存貨，包括解碼器器材及衛星接收器，乃按成本值與可變現淨值兩者中較低者列賬。

成本值乃按先進先出原則計算，包括所有購買成本，加工成本及為把存貨達致現有場所及狀況而產生的其他成本在內。可變現淨值則按預計銷售所得款項減估計銷售開支釐定。

(h) 應收賬款

凡被視為呆賬的應收賬款，均提撥備。在資產負債表內列賬的應收賬款已扣除有關的呆賬撥備。

(i) 現金及現金等值

現金及現金等值乃按成本於資產負債表列賬。就現金流量表而言，現金及現金等值包括所持現金、銀行的定期存款、由投資及短期銀行貸款當日起計到期日為三個月或以下的現金投資。

(j) 遞延收入

遞延收入乃指自第三方客戶預先收取的廣告收入及收視費收入。



1. PRINCIPAL ACCOUNTING POLICIES*(Continued)***(k) Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

(l) Employee benefits*(i) Employee leave entitlements*

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

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

(ii) Bonus plans

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

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

(iii) Pension obligations

The Group operates defined contribution retirement schemes for the Hong Kong employees based on local laws and regulations. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit schemes costs charged to the profit and loss account represent contributions payable by the Group to the funds.

1. 主要會計政策 (續)**(k) 撥備**

倘本集團因已發生的事件須承擔現有之法律性或推定性的責任，並有可能耗用資源以償還債務及可對有關數額作出可靠估計，則需確認撥備。

(l) 僱員福利*(i) 僱員應享假期*

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

僱員的病假及產假或陪分娩假不作確認，直至僱員正式休假為止。

(ii) 花紅計劃

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

花紅計劃的負債預期將於十二個月內償還，並根據在償付時預期會支付的金額計算。

(iii) 退休金責任

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



1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(I) Employee benefits (Continued)

(iii) Pension obligations (Continued)

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

Pursuant to the relevant local regulations of the countries where the overseas subsidiaries of the Group are located, these subsidiaries participate in respective government retirement benefit schemes and/or setting its own retirement benefit schemes (the "Schemes") whereby they are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated either based on certain percentages of the applicable payroll costs or fixed sums for each employee with reference to a salary scale, as stipulated under the requirements in the respective countries. Contributions under the Schemes are charged to the profit and loss account as incurred.

(iv) Equity compensation benefits

Pursuant to written resolutions of the shareholders of the Company dated 7 June 2000, two share option schemes of the Company were approved by the shareholders of the Company, namely Pre-IPO Share Option Scheme and Share Option Scheme. The options are granted and exercisable in accordance with the terms set out in the relevant schemes and no compensation cost is recognised. When the options are exercised, the proceeds received net of any transaction costs are credited to share capital (nominal value) and share premium account.

1. 主要會計政策 (續)

(I) 僱員福利 (續)

(iii) 退休金責任 (續)

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

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

(iv) 股份福利

根據本公司股東於二零零零年六月七日通過的書面決議案，本公司股東已通過本公司兩項購股權計劃，分別為首次公開招股前購股權計劃及購股權計劃。所授出的購股權可按有關計劃載列的條款行使及毋須確認補償成本。當購股權獲行使時，所收取的所得款項扣除任何交易成本乃記入股本（面值）及股份溢價賬。



1. PRINCIPAL ACCOUNTING POLICIES*(Continued)***(m) Deferred taxation**

Deferred taxation is accounted for at the current taxation rate in respect of timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or an asset is expected to be payable or recoverable in the foreseeable future.

(n) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

(o) Revenue recognition

Revenue mainly represents income from advertising sales and subscription sales.

Provided it is probable that the economic benefits associated with a transaction will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue and other income are recognised on the following bases:

(i) Advertising revenue

Advertising revenue represents the gross value of advertisements broadcast and is recognised when the relevant advertisements are broadcast.

1. 主要會計政策 (續)**(m) 遞延稅項**

為課稅而計算的盈利與賬目所示的盈利二者間的時差，若預期將於可預見將來需要支付或可收回，即按現行稅率計算遞延稅項負債或資產。

(n) 或有負債

或有負債指因已發生的事件而可能引起的責任，此等責任需就某一宗或多宗事件會否發生才能確認，而集團並不能完全控制這些未來事件會否實現。或有負債亦可能是因已發生的事件引致的現有責任，但由於可能不需要消耗經濟資源，或責任金額未能可靠地衡量而未有入賬。

或有負債不會被確認，但會在財務報表附註中披露。假若消耗資源的可能性改變導致可能出現資源消耗，此等負債將被確立為撥備。

(o) 收入確認

收入主要為廣告銷售及收視費收入的收益。

當某項交易的經濟利益很可能流入本集團，且相關的收入和成本可以準確計算時，收入和其他收入乃按下列基準確認：

(i) 廣告收入

廣告收入指播放廣告的總值，並於有關廣告播出時確認。



1. PRINCIPAL ACCOUNTING POLICIES (Continued)

(o) Revenue recognition (Continued)

- (ii) *Subscription revenue*
Subscription revenue received or receivable from the cable distributors or agents is amortised on a time proportion basis. Unamortised portion is classified as deferred income.
- (iii) *Magazine advertising revenue*
Magazine advertising revenue represents the value of advertisements printed on the magazines and is recognised when the magazine is published.
- (iv) *Magazine subscription revenue*
Magazine subscription revenue represents subscription money received or receivable from magazine customers and is recognised when the respective magazine is sold.
- (v) *Sales of decoder devices and satellite receivers*
Revenue from sales of decoder devices and satellite receivers is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title has passed.
- (vi) *Interest income*
Interest income from bank deposits is recognised on a time proportion basis on the principal outstanding and at the rate applicable.

1. 主要會計政策 (續)

(o) 收入確認 (續)

- (ii) *收視費收入*
已收或應收有線電視分銷商或代理的收視費收入乃依照時間比例攤銷。未予攤銷的部份列作遞延收入。
- (iii) *雜誌廣告收入*
雜誌廣告收入指在雜誌刊登廣告的價值，並於雜誌出版時確認。
- (iv) *雜誌訂購收入*
雜誌訂購收入指已收或應收雜誌客戶訂購款項，並於個別雜誌出售時確認。
- (v) *解碼器器材及衛星接收器銷售*
來自解碼器器材及衛星接收器銷售的收入乃於擁有權的風險及回報轉移時確認，時間大致上與貨品交付客戶及所有權轉移時相同。
- (vi) *利息收入*
銀行存款利息收入以本金餘額及適用利率按時間比例確認。



1. PRINCIPAL ACCOUNTING POLICIES*(Continued)***(p) Borrowing costs**

Borrowing costs include interest charges and other costs incurred in connection with the borrowing of funds. They are expensed as incurred.

(q) Segment reporting

In accordance with the Group's internal financial reporting, the Group has determined that business segments be presented as the primary reporting format and geographical segment as the secondary reporting format.

Unallocated expenses represent corporate expenses. Segment assets consist primarily of fixed assets, inventories, receivables and operating cash. Segment liabilities comprise operating liabilities. Capital expenditure comprises additions to fixed assets, land deposit and other non-current assets.

In respect of geographical segment reporting, advertising sales or subscription sales are based on the country in which the customer is located. Total assets and capital expenditure are based on the country where the assets are located.

1. 主要會計政策 (續)**(p) 借貸成本**

借貸成本包括就借入資金而產生之利息支出及其他費用。有關成本於產生時列作開支。

(q) 分類報告

根據本集團的內部財務報告，本集團已決定業務分類為主要呈報格式，而地區分類為第二呈報格式。

未分配的費用乃指集團開支。分類資產主要包括固定資產、存貨、應收款項及營運現金。分類負債包括營運負債。資本支出包括新增的固定資產、土地按金及其他非流動資產。

就地區分類呈報而言，廣告銷售或收視費收入乃根據客戶所在國家計算。總資產及資本支出乃根據資產所在國家計算。



2. REVENUE AND SEGMENTAL INFORMATION

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

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Revenue	收入		
Advertising sales	廣告銷售	632,653	628,322
Subscription sales	收視費收入	55,085	38,844
Magazine advertising and subscription sales	雜誌廣告及訂購收入	12,110	13,027
Others	其他	10,122	4,850
		<u>709,970</u>	<u>685,043</u>
Other revenues	其他收入		
Exchange gain, net	匯兌收益淨額	2,466	1,067
Interest income, net	利息收入淨額	5,598	12,875
Sales of decoder devices, net	解碼器器材銷售淨額	10,470	298
Others	其他	3,097	3,729
		<u>21,631</u>	<u>17,969</u>
Total revenue	總收入	<u>731,601</u>	<u>703,012</u>

Primary reporting format – business segments

The Group is organised into four main business segments including:

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

2. 收入及分類資料

鳳凰集團的主要業務為衛星電視廣播業務。按性質分類的鳳凰集團收入分析如下：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Revenue	收入		
Advertising sales	廣告銷售	632,653	628,322
Subscription sales	收視費收入	55,085	38,844
Magazine advertising and subscription sales	雜誌廣告及訂購收入	12,110	13,027
Others	其他	10,122	4,850
		<u>709,970</u>	<u>685,043</u>
Other revenues	其他收入		
Exchange gain, net	匯兌收益淨額	2,466	1,067
Interest income, net	利息收入淨額	5,598	12,875
Sales of decoder devices, net	解碼器器材銷售淨額	10,470	298
Others	其他	3,097	3,729
		<u>21,631</u>	<u>17,969</u>
Total revenue	總收入	<u>731,601</u>	<u>703,012</u>

主要呈報格式 – 業務分類

本集團包括四項主要業務分類，包括：

- (i) 電視廣播 – 電視節目及廣告廣播；
- (ii) 節目製作及支援服務；
- (iii) 互聯網服務 – 提供入門網站；及
- (iv) 其他業務 – 商品服務、雜誌出版及發行、行政及其他有關服務。



2. REVENUE AND SEGMENTAL INFORMATION

2. 收入及分類資料 (續)

(Continued)

Primary reporting format – business segments

主要呈報格式 – 業務分類 (續)

(Continued)

		2003 二零零三年					
		Television broadcasting	Programme production and ancillary services	Internet services	Other activities	Inter-segment elimination	Group
		電視廣播 HK\$'000 千港元	節目製作及 支援服務 HK\$'000 千港元	互聯網服務 HK\$'000 千港元	其他業務 HK\$'000 千港元	分類間對銷 HK\$'000 千港元	本集團 HK\$'000 千港元
Revenue	收入						
External sales	對外銷售	687,738	1,964	1,374	18,894	-	709,970
Inter-segment sales	分類間銷售	-	13,479	-	-	(13,479)	-
Total revenue	總收入	<u>687,738</u>	<u>15,443</u>	<u>1,374</u>	<u>18,894</u>	<u>(13,479)</u>	<u>709,970</u>
Segment results	分類業績	26,606	(4,572)	(10,085)	9,062	-	21,011
Unallocated expenses (Note i)	未分配費用 (附註)						(92,713)
Loss before taxation and minority interests	除稅及少數股東 權益前虧損						(71,702)
Taxation	稅項						(3,672)
Loss before minority interests	除少數股東權益前 虧損						(75,374)
Minority interests	少數股東權益						3,150
Loss attributable to shareholders	股東應佔虧損						<u>(72,224)</u>
Segment assets	分類資產	150,951	89,060	28,564	19,135	-	287,710
Unallocated assets	未分配資產						642,669
Total assets	總資產						<u>930,379</u>
Segment liabilities	分類負債	(92,304)	(2,109)	(9,443)	(8,052)	-	(111,908)
Profits tax payable	應付稅項						(4,726)
Unallocated liabilities	未分配負債						(61,705)
Deferred taxation	遞延稅項						(113)
Total liabilities	總負債						<u>(178,452)</u>
Capital expenditure	資本支出	2,641	31,165	461	341	-	34,608
Unallocated capital expenditure	未分配資本支出						5,955
							<u>40,563</u>
Depreciation	折舊	(17,058)	(3,845)	(1,412)	(195)	-	(22,510)
Amortisation of purchased programme and film rights	購入節目及 電影版權攤銷	(43,275)	-	-	-	-	(43,275)

2. REVENUE AND SEGMENTAL INFORMATION

(Continued)

Primary reporting format – business segments

(Continued)

2. 收入及分類資料 (續)

主要呈報格式 – 業務分類 (續)

		2002 二零零二年					
		Television broadcasting	Programme production and ancillary services	Internet services	Other activities	Inter-segment elimination	Group
		電視廣播 HK\$'000 千港元	節目製作及 支援服務 HK\$'000 千港元	互聯網服務 HK\$'000 千港元	其他業務 HK\$'000 千港元	分類間對銷 HK\$'000 千港元	本集團 HK\$'000 千港元
Revenue	收入						
External sales	對外銷售	667,166	1,551	1,237	15,089	-	685,043
Inter-segment sales	分類間銷售	-	15,956	-	-	(15,956)	-
Total revenue	總收入	667,166	17,507	1,237	15,089	(15,956)	685,043
Segment results	分類業績	(89,920)	(1,196)	(11,013)	(6,673)	-	(108,802)
Unallocated expenses (Note i)	未分配費用 (附註i)						(85,427)
Loss before taxation and minority interests	除稅及少數股東 權益前虧損						(194,229)
Taxation	稅項						(3,141)
Loss before minority interests	除少數股東權益前 虧損						(197,370)
Minority interests	少數股東權益						(2,346)
Loss attributable to shareholders	股東應佔虧損						(199,716)
Segment assets	分類資產	254,856	62,997	27,218	11,015	-	356,086
Unallocated assets	未分配資產						637,533
Total assets	總資產						993,619
Segment liabilities	分類負債	(49,588)	(5,509)	(9,517)	(9,488)	-	(74,102)
Profits tax payable	應付稅項						(4,458)
Unallocated liabilities	未分配負債						(88,307)
Deferred taxation	遞延稅項						(252)
Total liabilities	總負債						(167,119)
Capital expenditure	資本支出	11,368	7,970	142	697	-	20,177
Unallocated capital expenditure	未分配資本支出						3,685
							23,862
Depreciation	折舊	(15,617)	(2,509)	(1,402)	(13)	-	(19,541)
Amortisation of purchased programme and film rights	購入節目及電影 版權攤銷	(42,546)	-	-	-	-	(42,546)
Amortisation of goodwill	商譽攤銷	(1,541)	-	-	(944)	-	(2,485)
Provision for impairment of goodwill	商譽減值撥備	(44,700)	-	-	-	-	(44,700)

2. REVENUE AND SEGMENTAL INFORMATION (Continued)

Primary reporting format – business segments (Continued)

Note:

- (i) Unallocated expenses represent primarily:
- corporate staff costs;
 - office rental;
 - general administrative expenses; and
 - marketing and advertising expenses that relate to the Phoenix Group as a whole.

Secondary reporting format – geographical segments

2. 收入及分類資料 (續)

主要呈報格式 – 業務分類 (續)

附註：

- (i) 未分配費用主要為：
- 集團員工成本；
 - 辦公室租金；
 - 一般行政開支；及
 - 與鳳凰集團整體有關之市場推廣及廣告開支。

第二呈報格式 – 地區分類

		2003 二零零三年		
		Total Revenue 收入 HK\$'000 千港元	assets 總資產 HK\$'000 千港元	Capital expenditure 資本支出 HK\$'000 千港元
PRC (including Hong Kong)	中國(包括香港)	641,483	882,944	38,603
United States	美國	19,435	29,194	937
Europe	歐洲	8,295	15,826	265
Other countries in the Asia Pacific Region	其他亞太區國家	40,757	2,415	758
		709,970	930,379	40,563
		2002 二零零二年		
		Total Revenue 收入 HK\$'000 千港元	assets 總資產 HK\$'000 千港元	Capital expenditure 資本支出 HK\$'000 千港元
PRC (including Hong Kong)	中國(包括香港)	628,525	956,055	16,840
United States	美國	8,759	17,520	2,131
Europe	歐洲	4,157	17,574	4,778
Other countries in the Asia Pacific Region	其他亞太區國家	43,602	2,470	113
		685,043	993,619	23,862



3. LOSS FROM OPERATIONS

Loss from operations is stated after charging the following:

3. 經營虧損

經營虧損經扣除下列各項後計出：

			2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
		Note 附註		
Charging:	經扣除：			
Amortisation costs of purchased programme and film rights	購入節目及電影版權攤銷成本		43,275	42,546
Production costs of self-produced programmes	自製節目製作成本		87,898	108,564
Transponder rental	轉發器租金	28(c)	29,400	32,800
Provision for doubtful debts	呆賬撥備		34,469	39,293
Staff costs, including Directors' emoluments	員工成本 (包括董事酬金)	8	194,882	180,904
Operating lease rental in respect of	經營租賃開支			
– Directors' quarters	– 董事宿舍		952	1,006
– land and buildings of third parties	– 第三者的土地及樓宇		13,351	8,579
– land and buildings of a related company	– 關連公司的土地及樓宇	28(b)	257	6,372
Cost of inventories	存貨成本		1,732	690
Depreciation of fixed assets	固定資產折舊		22,510	19,541
Loss on disposal of fixed assets	出售固定資產虧損		998	792
Auditors' remuneration	核數師酬金		1,760	1,685



4. TAXATION

Hong Kong profits tax has been provided at the rate of 17.5% (2002: 16%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

The amount of taxation charged to the consolidated profit and loss account represents:

Current taxation:	現有稅項：
– Hong Kong profits tax	– 香港利得稅
– Overseas taxes	– 海外稅項
– Over-provisions of Hong Kong profits tax in the prior year	– 前一年度香港利得稅超額撥備
Deferred taxation (note 23)	遞延稅項 (附註23)

As at 30 June 2003, certain subsidiaries of the Phoenix Group had estimated cumulative tax losses for Hong Kong profits tax purposes which, subject to the agreement by the Inland Revenue Department, can be carried forward indefinitely to be offset against future taxable profits. The potential deferred tax asset, subject to the agreement by the Inland Revenue Department of the amount of the tax losses, has not been recognised in the accounts of the Phoenix Group.

5. LOSS ATTRIBUTABLE TO SHAREHOLDERS

The loss attributable to shareholders dealt with in the accounts of the Company to the extent of HK\$46,312,000 (2002: profit of approximately HK\$1,778,000).

6. DIVIDENDS

No dividend had been paid or declared by the Company during the year (2002: Nil).

4. 稅項

香港利得稅乃按於香港產生之估計應課稅溢利，以17.5% (二零零二：16%) 稅率撥備。就海外溢利應付稅項乃根據本年度的估計應課稅溢利按本集團業務所在國家的適用稅率計算。

於綜合損益表扣除的稅項乃指：

2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
5,065	3,102
49	39
(1,303)	–
(139)	–
3,672	3,141

於二零零三年六月三十日，以香港利得稅而言，鳳凰集團的若干附屬公司估計有累積稅務虧損，如稅務局允許，有關虧損可無限期結轉，以抵銷將來應需課稅溢利。潛在的遞延稅項資產，按稅務局同意的稅務虧損額，未於鳳凰集團的財務報表確認。

5. 股東應佔虧損

股東應佔虧損46,312,000港元 (二零零二：溢利約1,778,000港元) 已計入本公司賬目。

6. 股息

本公司於年內並無派付或宣派股息 (二零零二：無)。



7. LOSS PER SHARE

The calculation of basic loss per share is based on consolidated loss attributable to shareholders of HK\$72,224,160 (2002: HK\$199,715,943), and the 4,931,730,000 (2002: 4,931,709,058) weighted average number of ordinary shares outstanding during the year ended 30 June 2003.

No diluted loss per share has been presented as the exercise of the Company's outstanding share options would have no dilutive effect on loss per share during each of the years ended 30 June 2003 and 2002.

8. STAFF COSTS, INCLUDING DIRECTORS' EMOLUMENTS

Wages, salaries and other allowances	工資、薪酬及其他津貼
Unutilised annual leave	未用年假
Pension costs – defined contribution plans, net of forfeited contributions	退休金成本 – 定額供款計劃 (扣除被沒收供款)

7. 每股虧損

每股基本虧損乃根據截至二零零三年六月三十日止年度內之股東應佔綜合虧損 72,224,160 港元 (二零零二：199,715,943 港元) 及已發行之普通股加權平均股數 4,931,730,000 股 (二零零二：4,931,709,058 股) 計算。

截至二零零三年及二零零二年六月三十日止年度，由於行使尚未行使之本公司購股權將不會對各年度的每股虧損產生攤薄影響，故並無呈列每股攤薄虧損。

8. 員工成本 (包括董事酬金)

	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
	184,097	173,525
	2,692	–
	8,093	7,379
	<u>194,882</u>	<u>180,904</u>



9. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS

(a) Directors' emoluments

The aggregate amounts of emoluments paid/payable to Directors of the Company during the year are as follows:

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Executive Director A:	執行董事甲：		
Fees	袍金	-	4,292
Salaries	薪金	4,357	-
Discretionary bonus	酌情發放的花紅	-	-
Quarters	宿舍	952	1,006
Other allowance	其他津貼	-	-
Pension fund	退休金	-	-
		<u>5,309</u>	<u>5,298</u>
Executive Director B:	執行董事乙：		
Fees	袍金	-	-
Salaries	薪金	1,656	2,488
Discretionary bonus	酌情發放的花紅	-	-
Housing allowance	房屋津貼	869	134
Other allowance	其他津貼	137	-
Pension fund	退休金	166	163
		<u>2,828</u>	<u>2,785</u>

During the year, no emoluments were paid/payable to the Non-Executive Directors of the Company (2002: Nil) and approximately HK\$400,000 (2002: HK\$400,000) were paid/payable to two Independent Non-Executive Directors of the Company.

9. 董事及高級行政人員酬金

(a) 董事酬金

年內向本公司董事支付／應付的酬金總額如下：

	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Executive Director A:		
Fees	-	4,292
Salaries	4,357	-
Discretionary bonus	-	-
Quarters	952	1,006
Other allowance	-	-
Pension fund	-	-
	<u>5,309</u>	<u>5,298</u>
Executive Director B:		
Fees	-	-
Salaries	1,656	2,488
Discretionary bonus	-	-
Housing allowance	869	134
Other allowance	137	-
Pension fund	166	163
	<u>2,828</u>	<u>2,785</u>

年內，並無向本公司的非執行董事支付／應付任何酬金(二零零二：無)，而向兩位獨立非執行董事支付／應付的酬金約400,000港元(二零零二：400,000港元)。

9. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (Continued)

(a) Directors' emoluments (Continued)

The emoluments of the Directors (including an Alternate Director) of the Company fell within the following bands:

Emolument bands	酬金範圍	Number of Directors 董事人數	
		2003 二零零三年	2002 二零零二年
HK\$Nil – HK\$1,000,000	零港元 – 1,000,000港元	9	9
HK\$2,500,001 – HK\$3,000,000	2,500,001港元 – 3,000,000港元	1	1
HK\$5,000,001 – HK\$5,500,000	5,000,001港元 – 5,500,000港元	<u>1</u>	<u>1</u>

There was no arrangement under which a Director waived or agreed to waive any remuneration during the year ended 30 June 2003.

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include two (2002: two) Executive Directors whose emoluments are reflected in the analysis presented in (a) above. The emoluments paid/payable to the remaining three (2002: three) individuals during the year are as follows:

Fees	袍金	-	-
Salaries	薪金	4,989	4,017
Discretionary bonus	酌情發放的花紅	-	-
Housing allowance	房屋津貼	2,422	3,088
Other allowance	其他津貼	413	1,138
Pension fund	退休金	498	478

2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
-	-
4,989	4,017
-	-
2,422	3,088
413	1,138
498	478
<u>8,322</u>	<u>8,721</u>

9. 董事及高級行政人員酬金 (續)

(a) 董事酬金 (續)

酬金介乎下列範圍的本公司董事 (包括一名替任董事) 人數如下:

Emolument bands	酬金範圍	Number of Directors 董事人數	
		2003 二零零三年	2002 二零零二年
HK\$Nil – HK\$1,000,000	零港元 – 1,000,000港元	9	9
HK\$2,500,001 – HK\$3,000,000	2,500,001港元 – 3,000,000港元	1	1
HK\$5,000,001 – HK\$5,500,000	5,000,001港元 – 5,500,000港元	<u>1</u>	<u>1</u>

截至二零零三年六月三十日止年度內，董事並無根據任何安排放棄或同意放棄任何酬金。

(b) 五位最高薪人士

年內本集團五位最高薪人士中，包括兩名(二零零二：兩名)執行董事，彼等之酬金載於上文(a)呈列之分析。年內向餘下三名(二零零二：三名)人士支付/應付的酬金如下:

Fees	袍金	-	-
Salaries	薪金	4,989	4,017
Discretionary bonus	酌情發放的花紅	-	-
Housing allowance	房屋津貼	2,422	3,088
Other allowance	其他津貼	413	1,138
Pension fund	退休金	498	478
		<u>8,322</u>	<u>8,721</u>





9. DIRECTORS' AND SENIOR EXECUTIVES' EMOLUMENTS (Continued)

(b) Five highest paid individuals (Continued)

The emoluments of the remaining three (2002: three) individuals fell within the following bands:

Emolument bands	酬金範圍	Number of individuals 人數	
		2003 二零零三年	2002 二零零二年
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	2	1
HK\$2,500,001 – HK\$3,000,000	2,500,001港元 – 3,000,000港元	–	1
HK\$3,000,001 – HK\$3,500,000	3,000,001港元 – 3,500,000港元	<u>1</u>	<u>1</u>

During the year, no emoluments or incentive payments were paid or payable to any Director or the other employees amongst the five highest paid individuals as an inducement to join the Phoenix Group or as compensation for loss of office.

9. 董事及高級行政人員酬金 (續)

(b) 五位最高薪人士 (續)

酬金介乎下列範圍的餘下三名人士 (二零零二：三名) 如下：

Emolument bands	酬金範圍	Number of individuals 人數	
		2003 二零零三年	2002 二零零二年
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	2	1
HK\$2,500,001 – HK\$3,000,000	2,500,001港元 – 3,000,000港元	–	1
HK\$3,000,001 – HK\$3,500,000	3,000,001港元 – 3,500,000港元	<u>1</u>	<u>1</u>

年內，並無向五位最高薪人士中的任何董事或其他僱員支付或應付酬金或獎勵補償，以作為加入鳳凰集團的獎勵或作為退任補償。

10. ACCOUNTS RECEIVABLE, NET

Accounts receivable	應收賬款
Less: Provision for doubtful debts	減：呆賬撥備

10. 應收賬款淨額

2003 二零零三年	2002 二零零二年
HK\$'000 千港元	HK\$'000 千港元
102,911	186,901
(72,713)	(71,188)
<u>30,198</u>	<u>115,713</u>



10. ACCOUNTS RECEIVABLE, NET (Continued)

The Phoenix Group conducts its advertising sales primarily through an advertising agent in the PRC, which promotes the sales of the Group's advertising air-time and programme sponsorship and collects advertising revenues within the PRC on behalf of the Group (see note 11). The Group generally requires customers to pay in advance or cash on delivery, but grants a credit period of 30 days to 90 days to some customers. Prior to August 2002, the Group used to grant a credit period of 30 days to 120 days to some customers.

As at 30 June 2003, the ageing analysis of the accounts receivable from customers is as follows:

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
91 – 120 days	91至120日
Over 120 days	120日以上
Less: Provision for doubtful debts	減：呆賬撥備

10. 應收賬款淨額 (續)

鳳凰集團主要透過其中國廣告代理進行廣告銷售，此廣告代理於中國境內推廣本集團的廣告時段銷售及節目贊助，並替本集團收取廣告收入(見附註11)。本集團一般要求客戶須預先支付或於廣告推出時以現金支付款項，惟給予部份客戶30日至90日的信貸期。於二零零二年八月前，本集團一般給予部份客戶30日至120日的信貸期。

於二零零三年六月三十日，應收客戶賬款的賬齡分析如下：

2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
11,528	34,287
943	15,996
1,218	13,324
1,789	7,794
87,433	115,500
102,911	186,901
(72,713)	(71,188)
30,198	115,713



11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Included in prepayments, deposits and other receivables is an amount of approximately HK\$252,338,000 (2002: HK\$208,567,000) owing from an advertising agent, Shenzhou Television Company Ltd. (“Shenzhou”) in the PRC. The amount represents advertising revenue collected by Shenzhou on behalf of the Group. The balance is unsecured and bears interests at prevailing bank interest rates. As a result of the foreign exchange restrictions in the PRC, the remittance of the amount receivable from Shenzhou to the Phoenix Group are not conducted in fixed repayment terms.

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

The Trust Law in the PRC is relatively new and detailed implementation rules are not yet available, therefore the extent of the enforceability of the trust arrangement with Shenzhou is unclear at present. Although the management recognised that the present arrangement is the only legally viable arrangement, the management will continue to monitor and explore alternatives to improve the situation.

11. 預付款項、按金及其他應收款項

預付款項、按金及其他應收款項包括一筆應收中國廣告代理神州電視有限公司(「神州」)的款項約252,338,000港元(二零零二：208,567,000港元)。此款項為神州代表本集團收取的廣告收入。結餘為無抵押及按現行銀行利率計息。由於中國實施外匯管制，故應收神州的款項並非以固定還款期支付予鳳凰集團。

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

中國之信託法乃為較新推出的法例，且至今並無詳細之落實規定，因此，目前未能肯定與神州訂立之信託安排之中可依法執行之範圍。雖然管理層了解到現行安排乃法律上唯一有效之安排，但管理層將繼續監察及研究其他可行辦法以改善有關情況。



12. INVENTORIES

Decoders and satellite receivers 解碼器及衛星接收器

As at 30 June 2003 and 2002, the carrying amount of inventories are carried at cost.

13. AMOUNTS DUE FROM/TO RELATED COMPANIES

The outstanding balances with related companies are unsecured, non-interest bearing and have no fixed repayment terms.

14. PURCHASED PROGRAMME AND FILM RIGHTS

At 1 July	於七月一日
Additions	增購
Amortisation	攤銷
Disposals and others	出售及其他
At 30 June	於六月三十日
Less: Purchased programme and film rights – current portion	減：購入節目及電影版權 – 短期部份

12. 存貨

	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
	10,617	1,513

於二零零三年及二零零二年六月三十日，存貨按成本值列賬。

13. 應收／應付關聯公司款項

關聯公司尚有結餘為無抵押、免息及無固定還款期。

14. 購入節目及電影版權

	2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
	42,584	47,160
Note 28(h) 附註	39,835	41,203
	(43,275)	(42,546)
	(1,814)	(3,233)
	37,330	42,584
	(13,281)	(14,308)
	24,049	28,276





15. FIXED ASSETS, NET

15. 固定資產淨額

		2003 二零零三年				
		Broadcast operations and other equipment			Motor vehicles	Total
		Leasehold improvements	Furniture and fixtures	Broadcast operations and other equipment	Motor vehicles	Total
		租賃物業 裝修	傢俬及 裝置	廣播營運及 其他設備	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Cost	成本					
At 1 July 2002	於二零零二年 七月一日	17,172	3,510	86,553	6,950	114,185
Additions	增購	1,256	278	8,371	713	10,618
Disposals	出售	(390)	(863)	(1,077)	(441)	(2,771)
Exchange differences	滙兌差額	86	93	131	37	347
		<u>18,124</u>	<u>3,018</u>	<u>93,978</u>	<u>7,259</u>	<u>122,379</u>
At 30 June 2003	於二零零三年 六月三十日	18,124	3,018	93,978	7,259	122,379
Accumulated depreciation	累積折舊					
At 1 July 2002	於二零零二年 七月一日	4,375	1,082	23,475	1,454	30,386
Charge for the year	年內折舊	2,787	592	17,770	1,361	22,510
Disposals	出售	(359)	(353)	(610)	(118)	(1,440)
Exchange differences	滙兌差額	16	14	29	9	68
		<u>6,819</u>	<u>1,335</u>	<u>40,664</u>	<u>2,706</u>	<u>51,524</u>
At 30 June 2003	於二零零三年 六月三十日	6,819	1,335	40,664	2,706	51,524
Net book value	賬面淨值					
At 30 June 2003	於二零零三年 六月三十日	<u>11,305</u>	<u>1,683</u>	<u>53,314</u>	<u>4,553</u>	<u>70,855</u>
At 30 June 2002	於二零零二年 六月三十日	<u>12,797</u>	<u>2,428</u>	<u>63,078</u>	<u>5,496</u>	<u>83,799</u>



16. LAND DEPOSIT

On 11 June 2001, a subsidiary of the Company entered into an agreement with 深圳市規劃國土局 (The Shenzhen National Land Planning Bureau)* to acquire a land use right on a parcel of land situated in Shenzhen, the PRC for the development of a building (which includes a production centre) for the Phoenix Group. The total consideration for the acquisition is approximately HK\$57,354,000.

During the year ended 30 June 2002, the subsidiary transferred the interest of the land use right to another subsidiary, 深圳鳳凰置業有限公司, a sino-foreign co-operation company incorporated in the PRC, in which the Group has a 90% equity interest.

Pursuant to the payment terms of the agreement, the full amount of approximately HK\$57,354,000 (2002: HK\$29,177,000) has been paid to the 深圳市規劃國土局(The Shenzhen National Land Planning Bureau)* as the cost of the land acquisition. As at 30 June 2003, 深圳鳳凰置業有限公司 was in the process of obtaining the land use right.

* name translated for reference only

17. INTERESTS IN SUBSIDIARIES

Unlisted shares, at cost	非上市股份，按成本值
Amount due from a subsidiary, net	應收附屬公司款項淨額

Amount due from a subsidiary is unsecured, non-interest bearing and has no fixed repayment terms.

The Company has undertaken to provide necessary financial resources to support the future operations of the subsidiaries. The Directors are of the opinion that the underlying value of the subsidiaries was not less than the carrying amount of the subsidiaries as at 30 June 2003.

16. 土地按金

於二零零一年六月十一日，本公司之一間附屬公司與深圳市規劃國土局簽訂購買一塊位於中國深圳土地之土地使用權之協議，以作發展一幢供鳳凰集團使用的建築物(包括一個製作中心)。購買土地使用權之總代價約57,354,000港元。

截至二零零二年六月三十日止年度，該附屬公司將土地使用權的權益轉移予另一家附屬公司－深圳鳳凰置業有限公司。該公司乃一家於中國註冊成立的中外合作公司，而本集團持有其90%股份權益。

按照協議之供款規定，已支付予深圳市規劃國土局之全部款項約為57,354,000港元(二零零二：29,177,000港元)。於二零零三年六月三十日，深圳鳳凰置業有限公司正在辦理取得土地使用權的手續。

17. 附屬公司權益

	Company	
	本公司	
	2003	2002
	二零零三年	二零零二年
	HK\$'000	HK\$'000
	千港元	千港元
	—	—
	1,277,102	1,241,355
	<u>1,277,102</u>	<u>1,241,355</u>

應收附屬公司款項為無抵押、免息及無固定還款期。

本公司承諾提供足夠財務資源以支持附屬公司未來營運。董事認為，附屬公司之實際價值不低於附屬公司於二零零三年六月三十日之賬面值。



17. INTERESTS IN SUBSIDIARIES (Continued)

Details of subsidiaries as at 30 June 2003 were as follows:

17. 附屬公司權益 (續)

於二零零三年六月三十日之附屬公司詳情如下：

Name	Place and date of incorporation	Place of operation	Principal activities	Percentage of equity interest held by the Group 本集團應佔股本權益百分比	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本
名稱	註冊成立地點及日期	營運地點	主要業務		
Hong Kong Phoenix Weekly Magazine Limited	Hong Kong 29 November 1999	Hong Kong	Publishing and distribution of periodicals	77%	HK\$100
香港鳳凰週刊有限公司	香港 一九九九年十一月二十九日	香港	出版及發行情刊	77%	100港元
Hong Kong Phoenix Satellite Television Limited	Hong Kong 19 January 2001	Hong Kong	Dormant	100%	HK\$2
香港鳳凰衛視有限公司	香港 二零零一年一月十九日	香港	暫無營業	100%	2港元
Phoenix Satellite Television (InfoNews) Limited	British Virgin Islands 6 September 1999	British Virgin Islands	Satellite television broadcasting	100%	US\$1
鳳凰衛視資訊台有限公司	英屬處女群島 一九九九年九月六日	英屬處女群島	衛星電視廣播	100%	1美元
Phoenix Satellite Television (B.V.I.) Holding Limited (Note i)	British Virgin Islands 28 April 1998	British Virgin Islands	Investment holding	100%	US\$1
鳳凰衛視集團有限公司 (附註i)	英屬處女群島 一九九八年四月二十八日	英屬處女群島	投資控股	100%	1美元
Phoenix Satellite Television (Chinese Channel) Limited	British Virgin Islands 29 June 1998	British Virgin Islands	Satellite television broadcasting	100%	US\$1
鳳凰衛視中文台有限公司	英屬處女群島 一九九八年六月二十九日	英屬處女群島	衛星電視廣播	100%	1美元

17. INTERESTS IN SUBSIDIARIES (Continued)

17. 附屬公司權益 (續)

Name	Place and date of incorporation	Place of operation	Principal activities	Percentage of equity interest held by the Group 本集團應佔股本權益百分比	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本
名稱	註冊成立地點及日期	營運地點	主要業務		
Phoenix Satellite Television Company Limited 鳳凰衛視有限公司	Hong Kong 16 November 1995 香港 一九九五年十一月十六日	Hong Kong 香港	Provision of management and related services 提供管理及有關服務	100%	HK\$20
Phoenix Satellite Television (Europe) Limited 鳳凰衛視歐洲台有限公司	British Virgin Islands 5 July 1999 英屬處女群島 一九九九年七月五日	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100%	US\$1 1美元
Phoenix Satellite Television Information Limited 鳳凰資訊有限公司	British Virgin Islands 1 September 1999 英屬處女群島 一九九九年九月一日	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100%	US\$1 1美元
Phoenix Satellite Television (Movies) Limited 鳳凰衛視電影台有限公司	British Virgin Islands 26 June 1998 英屬處女群島 一九九八年六月二十六日	British Virgin Islands 英屬處女群島	Satellite television broadcasting 衛星電視廣播	100%	US\$1 1美元
Phoenix Satellite Television Trademark Limited 鳳凰衛視商標有限公司	British Virgin Islands 8 January 1996 英屬處女群島 一九九六年一月八日	British Virgin Islands 英屬處女群島	Trademark holding 持有商標	100%	US\$1 1美元
Phoenix Weekly Magazine (BVI) Limited Phoenix Weekly Magazine (BVI) Limited	British Virgin Islands 24 January 2000 英屬處女群島 二零零零年一月二十四日	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100%	US\$1 1美元





17. INTERESTS IN SUBSIDIARIES (Continued)

17. 附屬公司權益 (續)

Name	Place and date of incorporation	Place of operation	Principal activities	Percentage of equity interest held by the Group 本集團應佔股本權益百分比	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本
名稱	註冊成立地點及日期	營運地點	主要業務		
PHOENIXi Investment Limited	British Virgin Islands 28 October 1999	British Virgin Islands	Investment holding	94.3%	US\$123,976 (Ordinary Shares) US\$7,500 (Series A Preferred Shares)
PHOENIXi Investment Limited	英屬處女群島 一九九九年 十月二十八日	英屬處女群島	投資控股	94.3%	123,976美元 (普通股) 7,500美元 (A組優先股)
PHOENIXi, Inc.	The United States of America 3 June 1999	The United States of America	Dormant	94.3%	US\$0.1
PHOENIXi, Inc.	美利堅合眾國 一九九九年 六月三日	美利堅合眾國	暫無營業	94.3%	0.1美元
Phoenix Satellite Television Development (BVI) Limited	British Virgin Islands 6 January 2000	British Virgin Islands	Investment holding	100%	US\$1
Phoenix Satellite Television Development (BVI) Limited	英屬處女群島 二零零零年 一月六日	英屬處女群島	投資控股	100%	1美元
Phoenix Satellite Television Development Limited	Hong Kong 16 April 1999	Hong Kong	Investment holding	100%	HK\$2
鳳凰衛視發展有限公司	香港 一九九九年 四月十六日	香港	投資控股	100%	2港元
PCNE Holdings Limited	British Virgin Islands 5 January 2000	British Virgin Islands	Investment holding	70%	US\$1,000
PCNE Holdings Limited	英屬處女群島 二零零零年 一月五日	英屬處女群島	投資控股	70%	1,000美元



17. INTERESTS IN SUBSIDIARIES (Continued)

17. 附屬公司權益 (續)

Name	Place and date of incorporation	Place of operation	Principal activities	Percentage of equity interest held by the Group	Issued and fully paid share capital/ registered capital
名稱	註冊成立地點及日期	營運地點	主要業務	本集團應佔股本權益百分比	已發行及繳足股本/註冊資本
Phoenix Satellite Television (Taiwan) Limited 植桐製作股份有限公司	British Virgin Islands 31 August 2000 英屬處女群島 二零零零年 八月三十一日	British Virgin Islands 英屬處女群島	Programme production 節目製作	100%	US\$1 1美元
Phoenix Satellite Television (Universal) Limited Phoenix Satellite Television (Universal) Limited	British Virgin Islands 18 July 2000 英屬處女群島 二零零零年 七月十八日	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100%	US\$1 1美元
Phoenix Satellite Television (U.S.) Inc.	The United States of America 7 September 2000	The United States of America	Provision of management and promotional related services 提供管理及有關推廣服務	100%	US\$1 1美元
Phoenix Chinese News & Entertainment Limited (formerly known as Chinese News & Entertainment Limited)	The United Kingdom 12 November 1990	The United Kingdom	Satellite television broadcasting 衛星電視廣播	70%	£9,831,424 9,831,424英鎊
Phoenix Chinese News & Entertainment Limited (前稱 Chinese News & Entertainment Limited)	英國 一九九零年 十一月十二日	英國		70%	
Phoenix Global Television Limited 鳳凰環球電視有限公司	British Virgin Islands 8 October 2001 英屬處女群島 二零零一年 十月八日	British Virgin Islands 英屬處女群島	Investment holding 投資控股	100%	US\$1 1美元



17. INTERESTS IN SUBSIDIARIES (Continued)

17. 附屬公司權益 (續)

Name	Place and date of incorporation	Place of operation	Principal activities	Percentage of equity interest held by the Group	Issued and fully paid share capital/ registered capital
名稱	註冊成立地點及日期	營運地點	主要業務	本集團應佔股本權益百分比	已發行及繳足股本/註冊資本
Phoenix Glow Limited 鳳凰之光有限公司	British Virgin Islands 14 March 2001 英屬處女群島 二零零一年 三月十四日	British Virgin Islands 英屬處女群島	Provision of agency services 提供代理服務	100%	US\$1 1美元
Phoenix Satellite Television Investments (BVI) Limited Phoenix Satellite Television Investments (BVI) Limited	British Virgin Islands 2 January 2001 英屬處女群島 二零零一年 一月二日	British Virgin Islands 英屬處女群島	Dormant 暫無營業	100%	US\$1 1美元
Guofeng On-line (Beijing) Information Technology Company Limited 國鳳在線(北京)信息技術有限公司	PRC 18 April 2000 中國 二零零零年 四月十八日	PRC 中國	Internet services 互聯網服務	94.3%	US\$500,000 500,000美元
Phoenix Film and Television (Shenzhen) Company Limited 鳳凰影視(深圳)有限公司	PRC 6 March 2000 中國 二零零零年 三月六日	PRC 中國	Ancillary services for programme production 節目製作 支援服務	60%	HK\$10,000,000 10,000,000港元
Shenzhen Wutong Shan Television Broadcasting Limited 深圳市梧桐山電視廣播有限公司	PRC 31 July 2001 中國 二零零一年 七月三十一日	PRC 中國	Programme production 節目製作	54%	RMB5,000,000 5,000,000人民幣
Shenzhen Phoenix Real Estate Co. Limited 深圳鳳凰置業有限公司	PRC 9 January 2002 中國 二零零二年 一月九日	PRC 中國	Land development 土地發展	90%	US\$10,000,000 10,000,000美元

17. INTERESTS IN SUBSIDIARIES (Continued)

17. 附屬公司權益 (續)

Name	Place and date of incorporation	Place of operation	Principal activities	Percentage of equity interest held by the Group	Issued and fully paid share capital/ registered capital
名稱	註冊成立地點及日期	營運地點	主要業務	本集團應佔股本權益百分比	已發行及繳足股本/註冊資本
Phoenix Real Properties Limited	British Virgin Islands 30 May 2003	PRC	Dormant	100%	US\$1
鳳凰置業有限公司	英屬處女群島 二零零三年 五月三十日	中國	暫無營業	100%	1美元

Note:

- (i) Phoenix Satellite Television (B.V.I.) Holding Limited is directly held by the Company, while all other subsidiaries are indirectly held by the Company through Phoenix Satellite Television (B.V.I.) Holding Limited.

附註：

- (i) 鳳凰衛視集團有限公司由本公司直接持有，而所有其他附屬公司則由本公司透過鳳凰衛視集團有限公司間接持有。

18. ACCOUNTS PAYABLE, OTHER PAYABLES AND ACCRUALS

18. 應付賬款、其他應付款項及應計款項

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Accounts payable	應付賬款	7,139	16,216
Other payables and accruals	其他應付款項及應計款項	86,954	88,318
		94,093	104,534

As at 30 June 2003, the ageing analysis of the accounts payable is as follows:

於二零零三年六月三十日，應付賬款的賬齡分析如下：

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
0 – 30 days	0至30日	4,421	9,558
31 – 60 days	31至60日	264	653
61 – 90 days	61至90日	32	128
91 – 120 days	91至120日	411	657
Over 120 days	120日以上	2,011	5,220
		7,139	16,216



19. PENSION OBLIGATIONS

The Group operates a number of defined contribution pension schemes in accordance with the respective subsidiaries' local practices and regulations. The Group is obligated to contribute funding to these plans at various funding rates of the employees' salaries. The assets of which are generally held in separate trustee administered funds.

- (a) Employees in Hong Kong are provided with a defined contribution provident fund scheme and the Group is required to make monthly contribution to the scheme based on 10% of the employees' basic salaries. Forfeited contributions are used to offset the employer's future contributions. For the year ended 30 June 2003, the aggregate amount of the employer's contributions was approximately HK\$8,530,000 (2002: HK\$7,936,000). For the year ended 30 June 2003, the total amount of forfeited contributions was approximately HK\$1,488,000 (2002: HK\$1,858,000).

The assets of the scheme are held separately from those of the Group and are managed by independent professional fund managers.

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

Both the employer's and the employees' contributions are subject to a cap of monthly relevant income of HK\$20,000 for each employee. For those employees with monthly relevant income less than HK\$5,000 since 1 February 2003 (2002: HK\$4,000), the employees' contributions are voluntary.

19. 退休金責任

本集團根據各附屬公司的當地慣例及規例管理多項定額供款退休計劃。本集團有責任按僱員薪酬的不同供款比率向此等計劃作出供款。此等計劃的資產一般由獨立的信託人管理基金持有。

- (a) 本集團為香港僱員提供定額供款的公積金計劃，並按僱員基本薪酬的10%每月作出供款。被沒收的供款乃用以減省僱主日後的供款。截至二零零三年六月三十日止財政年度，本集團作出的僱主供款總額約8,530,000港元(二零零二：7,936,000港元)。截至二零零三年六月三十日止年度，被沒收供款的總額約1,488,000港元(二零零二：1,858,000港元)。

公積金計劃的資產乃與本集團的資產分開處理，並由獨立專業基金經理管理。

由二零零零年十二月一日起，香港僱員可選擇加入強制性公積金計劃(「強積金計劃」)。強積金計劃乃根據強積金法例於二零零零年內實施。根據按強積金法例訂明之強積金計劃，鳳凰集團及各僱員每月之供款為僱員入息的5%。

僱主及僱員兩者之每月供款上限為各僱員每月有關收入20,000港元。自二零零三年二月一日起，若該僱員每月有關收入少於5,000港元(二零零二：4,000港元)，僱員之供款乃屬自願性。



19. PENSION OBLIGATIONS (Continued)

During the year, the aggregate amount of employer's contributions made by the Phoenix Group to the MPF Scheme was approximately HK\$1,254,000 (2002: HK\$1,301,000). For the year ended 30 June 2003, the total amount of forfeited contributions was approximately HK\$203,000 (2002: Nil).

- (b) Pursuant to the relevant local regulations of the countries where the overseas subsidiaries of the Group are located, these subsidiaries participate in respective government retirement benefit schemes and/or setting its own Schemes whereby they are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated either based on certain percentages of the applicable payroll costs or fixed sums for each employee with reference to a salary scale, as stipulated under the requirements in the respective countries. Contributions under the Schemes are charged to the profit and loss account as incurred.

19. 退休金責任 (續)

年內，鳳凰集團根據強積金計劃所作出的僱主供款的總額約1,254,000港元(二零零二：1,301,000港元)。截至二零零三年六月三十日止年度，被沒收的強積金供款總額約203,000港元(二零零二：無)。

- (b) 根據本集團海外附屬公司所在國家的當地有關規例，此等附屬公司參與各自的政府退休福利計劃及／或自行設立有關計劃，據此有關附屬公司須向有關計劃為合資格僱員的退休福利作出供款。向有關計劃作出的供款乃按各國所規定根據適用的薪金成本的若干百分比或參照薪級表後按每名僱員以等額計算。根據有關計劃作出的供款於產生時自損益表記賬。

20. SHARE CAPITAL

20. 股本

		2003 二零零三年		2002 二零零二年	
		Number of shares 股數	Amount 金額 HK\$'000 千港元	Number of shares 股數	Amount 金額 HK\$'000 千港元
Authorised:	法定：				
Ordinary share of HK\$0.1 each	每股面值0.1港元 普通股	<u>10,000,000,000</u>	<u>1,000,000</u>	<u>10,000,000,000</u>	<u>1,000,000</u>
Issued and fully paid:	已發行及繳足：				
Beginning of year	年初	<u>4,931,730,000</u>	<u>493,173</u>	4,931,592,000	493,159
Exercise of share options	行使購股權	-	-	138,000	14
End of year	年終	<u>4,931,730,000</u>	<u>493,173</u>	<u>4,931,730,000</u>	<u>493,173</u>

21. SHARE OPTIONS

The Company has several share option schemes under which it may grant options to employees of the Phoenix Group (including Executive Directors of the Company) to subscribe for shares of the Company. Options are granted and exercisable in accordance with the terms set out in the relevant schemes. Options granted are not recognised in the financial statements of the Phoenix Group until they are exercised.

Movements of share options during the year ended 30 June 2003 were as follows:

21. 購股權

本公司設有數個購股權計劃，根據計劃可向鳳凰集團的僱員（包括本公司的執行董事）授予可認購本公司股份的購股權。所授出的購股權可按有關計劃載列的條款行使。所授出的購股權於行使時方會於鳳凰集團的財務報表確認。

截至二零零三年六月三十日止年度內購股權的變動如下：

Date of grant	Exercise period	Subscription price	Beginning of year	Number of share options				End of year
				Granted during the year	Exercised during the year	Lapsed as a result of termination of employment	因僱員離職而失效	
授出日期	行使期限	認購價 HK\$ 港元	年初	年內授出	年內行使	年終	年終	
14 June 2000 二零零零年六月十四日	14 June 2001 to 13 June 2010 二零零一年 六月十四日至 二零一零年 六月十三日	1.08	53,024,000	-	-	(6,458,000)	46,566,000	
15 February 2001 二零零一年二月十五日	15 February 2002 to 14 February 2011 二零零二年 二月十五日至 二零一一年 二月十四日	1.99	1,700,000	-	-	-	1,700,000	
10 August 2001 二零零一年八月十日	10 August 2002 to 9 August 2011 二零零二年 八月十日至 二零一一年 八月九日	1.13	12,860,000	-	-	(700,000)	12,160,000	
20 December 2002 二零零二年十二月二十日	20 December 2003 to 19 December 2012 二零零三年 十二月二十日至 二零一二年 十二月十九日	0.79	-	2,866,000	-	(398,000)	2,468,000	
				<u>67,584,000</u>	<u>2,866,000</u>	<u>(7,556,000)</u>	<u>62,894,000</u>	

22. RESERVES

Group

Movements in reserves of the Phoenix Group during the year were as follows:

		Share premium 股份溢價 HK\$'000 千港元	Exchange reserve 滙兌儲備 HK\$'000 千港元	Accumulated deficit 累積虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2001	於二零零一年七月一日	824,704	-	(301,778)	522,926
Loss attributable to shareholders	股東應佔虧損	-	-	(199,716)	(199,716)
Exercise of share options	行使購股權	135	-	-	135
At 30 June 2002	於二零零二年六月三十日	<u>824,839</u>	<u>-</u>	<u>(501,494)</u>	<u>323,345</u>

22. 儲備

本集團

鳳凰集團年內的儲備變動如下：

		Share premium 股份溢價 HK\$'000 千港元	Exchange reserve 滙兌儲備 HK\$'000 千港元	Accumulated deficit 累積虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2002	於二零零二年七月一日	824,839	-	(501,494)	323,345
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生的匯兌差額	-	801	-	801
Loss attributable to shareholders	股東應佔虧損	-	-	(72,224)	(72,224)
At 30 June 2003	於二零零三年六月三十日	<u>824,839</u>	<u>801</u>	<u>(573,718)</u>	<u>251,922</u>



22. RESERVES (Continued)**Company**

Movements in the reserves of the Company during the year were as follows:

		Share premium 股份溢價 HK\$'000 千港元	Company 本公司 Retained earnings 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2001	於二零零一年七月一日	824,704	4,352	829,056
Profit attributable to shareholders	股東應佔溢利	–	1,778	1,778
Exercise of share options	行使購股權	135	–	135
		<u>824,839</u>	<u>6,130</u>	<u>830,969</u>
At 30 June 2002	於二零零二年六月三十日	824,839	6,130	830,969

		Share premium 股份溢價 HK\$'000 千港元	Company 本公司 Retained earnings 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2002	於二零零二年七月一日	824,839	6,130	830,969
Loss attributable to shareholders	股東應佔虧損	–	(46,312)	(46,312)
		<u>824,839</u>	<u>(40,182)</u>	<u>784,657</u>
At 30 June 2003	於二零零三年六月三十日	824,839	(40,182)	784,657

Note:

Pursuant to Section 34 of the Companies Law (Revised) of the Cayman Islands and the Articles of Association of the Company, share premium of the Company is available for distribution to shareholders. As at 30 June 2003, in the opinion of the Directors, the Company's reserves available for distribution to shareholders, comprising the share premium account and retained earnings, amounted to approximately HK\$784,657,000 (2002: HK\$830,969,000).

22. 儲備 (續)**本公司**

本公司年內的儲備變動如下：

		Share premium 股份溢價 HK\$'000 千港元	Company 本公司 Retained earnings 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2001	於二零零一年七月一日	824,704	4,352	829,056
Profit attributable to shareholders	股東應佔溢利	–	1,778	1,778
Exercise of share options	行使購股權	135	–	135
		<u>824,839</u>	<u>6,130</u>	<u>830,969</u>
At 30 June 2002	於二零零二年六月三十日	824,839	6,130	830,969

		Share premium 股份溢價 HK\$'000 千港元	Company 本公司 Retained earnings 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 July 2002	於二零零二年七月一日	824,839	6,130	830,969
Loss attributable to shareholders	股東應佔虧損	–	(46,312)	(46,312)
		<u>824,839</u>	<u>(40,182)</u>	<u>784,657</u>
At 30 June 2003	於二零零三年六月三十日	824,839	(40,182)	784,657

附註：

根據開曼群島公司法(經修訂)第34條及本公司組織章程，本公司的股份溢價可供分派予股東。於二零零三年六月三十日，董事認為，可供分派予股東的本公司儲備(包括股份溢價賬及保留溢利)約784,657,000港元(二零零二：830,969,000港元)。

23. DEFERRED TAXATION

At 1 July	於七月一日
Credited to profit and loss account (<i>note 4</i>)	在損益表記賬 (附註4)
At 30 June	於六月三十日

Deferred taxation represents the taxation effect of timing differences arising from accelerated depreciation allowances.

24. ADDITIONAL FINANCIAL INFORMATION ON CONSOLIDATED BALANCE SHEET

As at 30 June 2003, the net current assets of the Group amounted to approximately HK\$598,015,000 (2002: HK\$685,500,000). On the same date, the total assets less current liabilities was approximately HK\$752,040,000 (2002: HK\$826,752,000).

23. 遞延稅項

2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
252	252
(139)	—
<u>113</u>	<u>252</u>

遞延稅項為加速折舊免稅額引致的時間差的稅務後果。

24. 綜合資產負債表之其他財務資料

於二零零三年六月三十日，本集團之流動資產淨值約598,015,000港元(二零零二：685,500,000港元)。於同日，總資產減流動負債約752,040,000港元(二零零二：826,752,000港元)。



25. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

25. 綜合現金流量表附註

(a) Reconciliation of loss from operations to net cash inflow/(outflow) from operating activities

(a) 經營虧損與經營業務活動現金流入/(流出)淨額對賬表

		2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
Loss from operations	經營虧損	(93,333)	(165,013)
Depreciation of fixed assets	固定資產折舊	22,510	19,541
Other income, net	其他收入淨額	13,567	4,027
Exchange gain, net	匯兌收益淨額	2,466	1,067
Loss on disposal of fixed assets	出售固定資產虧損	998	792
Decrease in accounts receivable, net	應收賬款淨額減少	85,515	9,514
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加	(30,455)	(80,759)
Increase in inventories	存貨增加	(9,104)	(1,141)
(Increase)/decrease in amounts due from related companies	應收關聯公司款項(增加)/減少	(96)	698
Decrease/(increase) in self-produced programmes	自製節目減少/(增加)	5,838	(10,289)
Decrease in purchased programme and film rights	購入節目及電影版權減少	5,254	7,862
(Decrease)/increase in accounts payable, other payables and accruals	應付賬款、其他應付款項及應計款項(減少)/增加	(10,441)	17,929
Increase/(decrease) in deferred income	遞延收入增加/(減少)	38,499	(13,094)
(Decrease)/increase in amounts due to related companies	應付關聯公司款項(減少)/增加	(16,854)	13,456
Net cash inflow/(outflow) from operating activities	經營業務活動現金流入/(流出)淨額	<u>14,364</u>	<u>(195,410)</u>

25. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT (Continued)

(b) Analysis of changes in financing during the year

		Share capital	Share premium	Minority interests	Total
		股本	股份溢價	股東權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 July 2001	於二零零一年七月一日	493,159	824,704	5,019	1,322,882
Share options exercised by employees	僱員行使購股權	14	135	-	149
Capital contributions from minority shareholders	少數股東資本貢獻				
- cash	- 現金	-	-	2,615	2,615
- non-cash	- 非現金	-	-	2	2
Minority shareholders' share of results	少數股東攤佔業績	-	-	2,346	2,346
		<u>493,173</u>	<u>824,839</u>	<u>9,982</u>	<u>1,327,994</u>
At 30 June 2002	於二零零二年六月三十日	493,173	824,839	9,982	1,327,994
At 1 July 2002	於二零零二年七月一日	493,173	824,839	9,982	1,327,994
Minority shareholders' share of results	少數股東攤佔業績	-	-	(3,150)	(3,150)
		<u>493,173</u>	<u>824,839</u>	<u>6,832</u>	<u>1,324,844</u>
At 30 June 2003	於二零零三年六月三十日	493,173	824,839	6,832	1,324,844

25. 綜合現金流量表附註 (續)

(b) 年內融資變動分析

26. BANKING FACILITIES

As at 30 June 2003, the Group had banking facilities amounted to approximately HK\$18,300,000 (2002: HK\$17,900,000). Unused banking facilities as at the same date amounted to approximately HK\$11,900,000 (2002: HK\$1,300,000). The facilities are covered by counter indemnities from the Group.

As at 30 June 2003, deposits of approximately HK\$3,300,000 (2002: HK\$2,900,000) were pledged with a bank to secure a banking guarantee given to the landlord of a subsidiary.

26. 銀行信貸

於二零零三年六月三十日，本集團的銀行信貸額約18,300,000港元(二零零二：17,900,000港元)。於同日未動用之銀行信貸額約11,900,000港元(二零零二：1,300,000港元)。有關信貸由本集團提供之反擔保作抵押。

於二零零三年六月三十日，約3,300,000港元(二零零二：2,900,000港元)已抵押予銀行，作為給予一附屬公司業主的銀行擔保。



27. COMMITMENTS

(a) Programme and film rights acquisition

As at 30 June 2003, the Group had aggregate outstanding programme and film rights related commitments of approximately HK\$122,565,000 (2002: HK\$140,917,000) of which approximately HK\$114,596,000 (2002: HK\$138,608,000) was in respect of a film rights acquisition agreement with STAR TV Filmed Entertainment Limited (“STAR Filmed”) extending to 27 August 2008 and approximately HK\$7,969,000 (2002: HK\$2,309,000) was in respect of programme acquisition agreements with other programme suppliers. Total programme and film rights related commitments are analysed as follows:

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

(b) Service charges

As at 30 June 2003, the Group had total committed service charges payable to Satellite Television Asian Region Limited (“STARL”) of approximately HK\$126,676,000 (2002: HK\$56,682,000) in respect of a service agreement expiring on 30 June 2006. Total committed service charges payable to STARL are analysed as follows:

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

27. 承擔

(a) 購入節目及電影版權

於二零零三年六月三十日，本集團有關節目及電影版權的待履行承擔總額約122,565,000港元(二零零二：140,917,000港元)，當中約114,596,000港元(二零零二：138,608,000港元)乃與STAR TV Filmed Entertainment Limited (「STAR Filmed」) 簽訂的購買電影版權協議，該協議延續至二零零八年八月二十七日，另約7,969,000港元(二零零二：2,309,000港元)為有關與其他節目供應商簽訂的購買節目版權協議。有關節目及電影版權的承擔總額分析如下：

2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
25,754	23,668
93,293	89,720
3,518	27,529
122,565	140,917

(b) 服務費

於二零零三年六月三十日，本集團就於二零零六年六月三十日屆滿的服務協議應付予衛星電視有限公司 (「STARL」) 的服務費約126,676,000港元(二零零二：56,682,000港元)。應付STARL的服務費用承擔總額分析如下：

2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
41,947	56,682
84,729	—
—	—
126,676	56,682



27. COMMITMENTS (Continued)

(b) Service charges (Continued)

As at 30 June 2003, the Group had committed service charges payable to Fox News Network L.L.C. ("Fox") of approximately HK\$4,174,000 (2002: HK\$8,266,000) in respect of a service agreement expiring on 25 July 2004. Total committed service charges payable to Fox are analysed as follows:

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

As at 30 June 2003, the Group had committed service fee receivable from Asia Television Limited ("ATV") of approximately HK\$3,918,000 (2002: Nil) in respect of the provision of technical support services and equipment to ATV for the operation of the ATV Home Channel (U.S. version) in the United States. Total future minimum service fees receivable are analysed as follows:

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

27. 承擔 (續)

(b) 服務費 (續)

於二零零三年六月三十日，本集團亦就於二零零四年七月二十五日屆滿的服務協議承擔應付予Fox News Network L.L.C. (「Fox」)的服務費約4,174,000港元(二零零二：8,266,000港元)。應付Fox的服務費用承擔總額分析如下：

2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
3,911	4,092
263	4,174
—	—
4,174	8,266

於二零零三年六月三十日，本集團就提供技術支援服務及設備予亞洲電視有限公司(「亞洲電視」)以便在美國廣播亞洲電視本港台頻道(美國版)而應收亞洲電視的服務費約3,918,000港元(二零零二：無)。未來最低的應收服務費承擔總額分析如下：

2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
1,306	—
2,612	—
—	—
3,918	—



27. COMMITMENTS (Continued)**(c) Operating lease**

As at 30 June 2003, the Group had rental commitments of approximately HK\$38,298,000 (2002: HK\$24,344,000) under various operating leases extending to September 2011. Total future minimum lease payments payable under non-cancellable operating leases are as follows:

		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		千港元	千港元
Not later than one year	不遲於一年	11,696	8,756
Later than one year and not later than five years	遲於一年但 不遲於五年	21,288	9,428
Later than five years	遲於五年	5,314	6,160
		38,298	24,344

(d) Capital commitment

Pursuant to an agreement dated 26 May 2003, the Group has entered into an arrangement with a third party to establish a jointly controlled entity, 北京翡翠鳳凰文化投資諮詢有限公司 in the PRC. As at 30 June 2003, the Group has an outstanding commitment to pay approximately HK\$470,000 as contribution capital for the jointly controlled entity.

27. 承擔 (續)**(c) 經營租約**

於二零零三年六月三十日，本集團根據多項延期至二零一一年九月的多項經營租約須承擔約38,298,000港元(二零零二：24,344,000港元)的租金。根據不可撤銷的經營租約，未來最低之租金總額分析如下：

		2003	2002
		二零零三年	二零零二年
		HK\$'000	HK\$'000
		千港元	千港元
Not later than one year	不遲於一年	11,696	8,756
Later than one year and not later than five years	遲於一年但 不遲於五年	21,288	9,428
Later than five years	遲於五年	5,314	6,160
		38,298	24,344

(d) 資本承擔

根據於二零零三年五月二十六日訂立的協議，本集團與一名第三者就於中國成立一間共同控制實體－北京翡翠鳳凰文化投資諮詢有限公司而訂立安排。於二零零三年六月三十日，本集團就該共同控制實體的出資額而尚未履行的承擔須支付約470,000港元。



27. COMMITMENTS (Continued)

(e) Other operating and capital commitments

As at 30 June 2003, the Group had the following additional significant operating and capital commitments:

27. 承擔 (續)

(e) 其他經營及資本承擔

於二零零三年六月三十日，本集團尚有以下其他主要經營及資本承擔：

Details of commitments	Payee	2003 二零零三年		Total commitment	2002 二零零二年
		Total future minimum payments payable Later than one year and not later than five years	Total commitment		
承擔詳情	支付人	不遲於一年 HK\$'000 千港元	未來需支付的 最低金額總額 遲於一年但 不遲於五年 HK\$'000 千港元	承擔總額 HK\$'000 千港元	承擔總額 HK\$'000 千港元
Provision of transponder, uplinking, encoding and electronic programme guide services 提供轉發器、向上傳輸、加密及電子節目指南服務	British Sky Broadcasting Limited ("BSkyB")	5,038	5,099	10,137	15,043
Provision of data transmission services 提供數據傳送服務	PCCW-HKT Network Services Limited	2,432	1,216	3,648	3,201
Provision of news and datafeed services 提供新聞及數據服務	The Associated Press Television News Limited	1,281	1,437	2,718	696
Provision of market datafeed services 提供市場數據傳送	Stock Exchange Information Services Limited	417	-	417	1,417
Provision of programme production services 提供節目製作服務	東森華榮傳播事業股份有限公司	2,359	-	2,359	4,297
Provision of office management services 提供辦公室管理服務	Rhine Office Investments Ltd, Elbe Office Investments Ltd. and Hutchison Hotel HK Ltd.	2,401	4,902	7,303	-
Provision of transponder rental services 提供轉發器租賃服務	卜樂視科技股份有限公司	2,700	315	3,015	-
Provision of channel leasing services 提供頻道租賃服務	Charter Communications	1,451	723	2,174	-
Provision of optic fibre transmission services 提供光纖傳送服務	China Netcom (USA) Operations Limited	1,440	-	1,440	-
Provision of programming services 提供節目服務	Exclusive Production Limited	540	135	675	-
		<u>20,059</u>	<u>13,827</u>	<u>33,886</u>	<u>24,654</u>



28. SIGNIFICANT RELATED PARTY TRANSACTIONS

Parties are considered to be related to the Phoenix Group if the Phoenix Group has the ability, directly or indirectly, to exercise significant influence over the parties in making financial and operating decisions, or vice versa, or where the Phoenix Group and the parties are subject to common significant influence. Related parties may be individuals or entities.

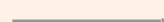
In the normal course of business, the Phoenix Group had the following significant transactions with the related parties:

28. 重大關連人士交易

倘鳳凰集團有能力(直接或間接)對有關人士於作出財務及營運決定時發揮重大影響力，相反亦然，或倘若鳳凰集團及有關人士受到共同重大影響力，則有關人士被視為鳳凰集團有關連。關連人士可為個人或實體。

在日常業務範圍內，鳳凰集團曾與關連人士進行下列重要交易：

			2003 二零零三年 HK\$'000 千港元	2002 二零零二年 HK\$'000 千港元
		Note 附註		
Office premises rental paid/ payable to STARL	向STARL支付/應付的 寫字樓物業租金	a, b	257	6,372
Service charges paid/payable to STARL	向STARL支付/應付的服務費	a, c	82,082	136,473
Commission for advertising sales and marketing services paid/payable to STARL	向STARL支付/應付的廣告銷售 及市場推廣服務佣金	a, d	8,409	8,668
Commission for international subscription sales and marketing services paid/payable to STARL	向STARL支付/應付的國際訂購 銷售及市場推廣服務佣金	a, e	2,349	2,040
Sales of decoder devices to STARL	向STARL銷售解碼器器材	a, f	155	-
Purchase of decoder devices from STARL	向STARL購買解碼器器材	a, f	-	1,688
Film licence fees paid/payable to STAR Filmed	向STAR Filmed支付/ 應付的電影版權費	a, g	20,403	20,403
Programme licence fees paid/payable to other STAR TV group companies	向衛視集團內其他公司支付/ 應付的節目版權費	a, h	-	753
Programme licence fees paid/payable to ATV Enterprises Limited	向亞洲電視企業有限公司支付/ 應付的節目版權費	h, i	13,236	1,804
Sale of a motor vehicle to ATV Enterprises Limited	向亞洲電視企業有限公司銷售汽車	i, j	323	-
Service charges paid/payable to ATV	向亞洲電視支付/應付的服務費	i, k	219	556
Service charges received/receivable from ATV	向亞洲電視收取/應收取的服務費	i, l	1,733	-
Service charges paid/payable to Fox	向Fox支付/應付的服務費	m, n	4,132	4,092
Service charges paid/payable to BSkyB	向BSkyB支付/應付的服務費	o, p	4,996	1,862



28. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

Notes:

The Directors have confirmed that all of the above related party transactions have been carried out in the normal course of business of the Phoenix Group.

a. STARL, STAR Filmed and other STAR TV group companies are wholly-owned subsidiaries of STAR Group Limited, which owns 100% of Xing Kong Chuan Mei Group Co., Ltd., a substantial shareholder of the Company.

b. Office premises rental paid/payable to STARL was determined by reference to the area of space occupied by the Phoenix Group and was proportional to the rental payable by STARL in respect of the area occupied by it under its lease with the landlord. STARL subsequently surrendered the area occupied by the Phoenix Group to the landlord.

Pursuant to a tenancy agreement dated 6 February 2003 between the Group and such landlord, the landlord rented to the Phoenix Group directly the office space for a term of four years commencing from 15 July 2002. Consequently, no rental is payable to STARL commencing from 15 July 2002.

c. Service charges paid/payable to STARL cover the following services provided to the Phoenix Group which are charged either based on the terms (i) mutually agreed upon between both parties or (ii) specified under various service agreements. Either fixed fees or variable fees are charged depending on the type of facilities utilised including the following:

- transponder capacity;
- network;
- broadcast operations and engineering;
- uplink and downlink; and
- general administrative and other support including access to, and the use of, general office facilities, management information system and commercial traffic.

28. 重大關連人士交易 (續)

附註：

董事已確認，所有上述關連交易曾於鳳凰集團的正常業務範圍內進行。

a. STARL、STAR Filmed及衛視集團內其他公司，均為星空傳媒集團有限公司的全資附屬公司，其擁有Xing Kong Chuan Mei Group Co., Ltd. (為本公司主要股東)的100%權益。

b. 向STARL支付/應付的寫字樓物業租金乃參考鳳凰集團佔用的面積決定，並與STARL根據其個別與業主訂立的租約所佔用面積而應付的租金成正比例。STARL隨後將鳳凰集團所佔用範圍交回業主。

根據本集團與該業主於二零零三年二月六日訂立的租賃協議，該業主向鳳凰集團直接出租辦公室物業，由二零零二年七月十五日起計為期四年。因此，由二零零二年七月十五日起毋須支付租金予STARL。

c. 向STARL支付/應付的服務費包括下列向鳳凰集團提供的服務，服務費乃根據(i)經協議雙方同意或(ii)個別服務協議指明的條款釐定，分為固定收費或浮動收費兩種，視乎所使用的設施類別而定：

- 轉發器能力；
- 網絡；
- 廣播營運及工程；
- 向上傳輸及向下傳輸；及
- 一般行政及其他支援(包括使用一般辦公室設備、管理資訊系統及商業廣告編播)。



28. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

- d. The commission for advertising sales and marketing services paid/payable to STARL is based on 4%-20% (2002: 4%-20%) of the net advertising income generated and received by it on behalf of the Phoenix Group after deducting the relevant amount of the third party agency fees.
- e. The commission for international subscription sales and marketing services paid/payable to STARL is based on 15% (2002: 15%) of the subscription fees generated and received by it on behalf of the Phoenix Group.
- f. Sales of decoder devices to/purchases of decoder devices from STARL are charged based on terms mutually agreed upon between both parties.
- g. The film licence fees are charged in accordance with a film rights acquisition agreement with STAR Filmed.
- h. The programme licence fees paid/payable to other STAR TV group companies and ATV Enterprises Limited are negotiated on a case-by-case basis.
- i. ATV Enterprises Limited is a wholly-owned subsidiary of ATV which is considered to be a connected party to the Company pursuant to the GEM Listing Rules. Mr. LIU, Changle and Mr. CHAN, Wing Kee, indirectly own approximately 46% of ATV as at 30 June 2003. Mr. CHAN, Wing Kee also owns 95% of Dragon Sheen Holdings Limited which holds 16.25% indirect interest in ATV as at 30 June 2003. He also owns 80% interests of Dragon Goodwill International Limited, which has completed its acquisition of 32.75% interests in ATV on 25 July 2003.
- j. Sale of a motor vehicle to ATV Enterprises Limited is based on terms mutually agreed upon between both parties.
- k. Service charges paid/payable to ATV cover news footage and data transmission services provided to the Phoenix Group which are charged based on terms mutually agreed upon between both parties.

28. 重大關連人士交易 (續)

- d. 向STARL支付／應付的廣告銷售及市場推廣服務的佣金乃根據其代表鳳凰集團賺取及收取的廣告收入淨額(已扣除第三方代理費的有關款額)的4%至20%(二零零二：4%至20%)計算。
- e. 向STARL支付／應付的國際訂購銷售及市場推廣服務的佣金乃根據其代表鳳凰集團賺取及收取的收視費的15%(二零零二：15%)計算。
- f. 向STARL購買／銷售的解碼器器材乃根據雙方同意的條款收費。
- g. 電影版權費乃根據與STAR Filmed訂立的購入電影版權協議收取。
- h. 向衛視集團內其他公司及亞洲電視企業有限公司支付／應付的節目版權費乃按個別交易協商。
- i. 亞洲電視企業有限公司乃亞洲電視的全資附屬公司，而根據創業板上市規則被視為本公司的關連人士。劉長樂先生及陳永棋先生於二零零三年六月三十日間接擁有亞洲電視約46%權益。於二零零三年六月三十日，陳永棋先生亦擁有龍盛集團有限公司的95%權益，龍盛集團有限公司則持有亞洲電視的16.25%間接權益。彼亦擁有Dragon Goodwill International Limited的80%權益，而Dragon Goodwill International Limited於二零零三年七月二十五日完成收購亞洲電視的32.75%權益。
- j. 向亞洲電視企業有限公司銷售汽車乃根據雙方同意的條款進行。
- k. 向亞洲電視為鳳凰集團提供的新聞片段及數據傳送服務支付／應付的服務費，乃按雙方同意的條款而支付。



28. SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

- l. Service charges received/receivable from ATV cover the following services provided to ATV which are charged based on terms specified in a service agreement:
- the use of floor area for the location of receivers;
 - the use of master control room equipment and transmission equipment (including maintenance for daily wear and tear);
 - fibre optic transmission; and
 - video tapes administration and playout services.
- m. Fox is an associate of Xing Kong Chuan Mei Group Co., Ltd.
- n. Service charges paid/payable to Fox cover the following services provided to the Phoenix Group which are charged based on the terms specified in a service agreement:
- granting of non-exclusive and non-transferable licence to subscribe for Fox's news service;
 - leasing of office space and access to workspace, subject to availability; and
 - accessing Fox's camera hook up at the United Nations, interview positions in various places in the United States and live shots from Fox's satellite truck positions for events that Fox is already covering, subject to availability.
- o. BSkyB is 36.3% owned by The News Corporation Limited which indirectly owns 100% of Xing Kong Chuan Mei Group Co., Ltd.
- p. Service charges paid/payable to BSkyB cover the following services provided to the Phoenix Group which are charged based on terms specified in the service agreements:
- transponder rental;
 - uplinking services; and
 - encoding and electronic programme guide services.

29. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the current year's presentation.

30. APPROVAL OF ACCOUNTS

The accounts were approved by the Board of Directors on 10 September 2003.

28. 重大關連人士交易 (續)

- l. 向亞洲電視收取／應收取的服務費包括下列提供予亞洲電視使用的服務，並按服務協議指明的條款收費：
- 使用接收器所在地點的樓面面積；
 - 使用總控制室設備及傳送設備(包括就日常耗蝕進行保養)；
 - 光纖傳送；及
 - 影帶管理及播送服務
- m. Fox乃Xing Kong Chuan Mei Group Co., Ltd.的聯營公司。
- n. 向Fox支付／應付的服務費包括下列提供予鳳凰集團使用的服務，服務費乃按服務協議指明的條款收取：
- 訂購Fox新聞服務的非獨家及不可轉讓許可權；
 - 辦公室租賃及使用工作室，視乎其供應而定；及
 - 使用Fox位於聯合國的攝影棚、全美各地的採訪場地以及由Fox衛星直播車位置取得Fox已進行報道的事件的現場畫面，視乎其供應而定。
- o. The News Corporation Limited擁有BSkyB的36.3%股權，The News Corporation Limited間接全資擁有Xing Kong Chuan Mei Group Co., Ltd.。
- p. 向BSkyB支付／應付的服務費包括下列提供予鳳凰集團使用的服務，服務費乃按服務協議指明的條款收取：
- 轉發器租賃；
 - 向上傳輸服務；及
 - 加密及電子節目指南服務。

29. 比較數字

若干比較數字已重新分類，以符合本年度的呈報方式。

30. 批准財務報表

本財務報表已由董事會於二零零三年九月十日批准。