

CHINA GAS HOLDINGS LIMITED

Annual Report 2010

Sustainable GROWTH



CHINA GAS
中國燃氣

Stock Code : 384



Organized

Comprehensive IT Management System

Currently, the Group's IT development has been initially established and full computerization is realized in our principal businesses. Our operating systems include the OA system, financial system, procurement portal, customer service payment system, enterprise operation reporting system and budgeting system. The above IT management platform allows comprehensive management covering all the related business modules and represents a sound IT management platform for the Group. In addition, as of the first half of the financial year of 2010, the human resources administration system has activated the computerization of the remuneration and performance evaluation system, and the networking operation has further been improved whereas the engineering management system has completed the research on demand, simulated training

and trial run of pilot companies. The Group has also completed the preparation of the development proposal for the production and operational IT system and commenced trial run on project companies. The Group is investing in the establishment of a nationwide customer service call center system to form a unified connection and centrally managed customer service platform within China so as to provide professional and efficient piped gas services and LPG services to 60 million households in 200 cities nationwide. The IT management system of the Group has far reaching strategic importance on pushing ahead the full scale computerization and enhancing the overall management standard.



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About China Gas

China Gas Holdings Limited ("China Gas", stock code: 384) is a natural gas services operator, principally engaged in the investment, construction and management of city gas pipeline infrastructure, distribution of natural gas and LPG to residential, industrial and commercial users, construction and operation of oil stations and gas stations, and development and application of oil, natural gas and LPG related technologies.

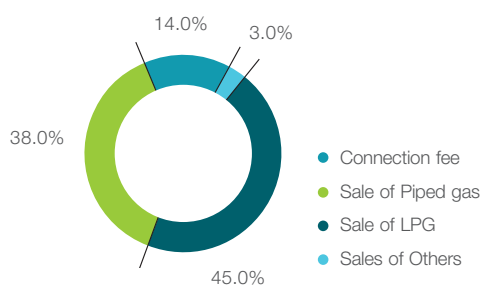
Financial Highlights

Financial Performance for the year ended 31 March	2010 HK\$'000	2009 HK\$'000	Change
Turnover	10,211,959	6,323,823	61.5%
Gross profit	2,116,292	1,429,349	48.1%
Profit after taxation	1,015,501	133,959	658.1%
Profit attributable to shareholders	875,636	103,679	744.6%
Basic EPS (in HK cents)	26.19	3.11	742.1%
Total assets	22,997,594	18,086,766	27.2%
Cash and bank balance	4,361,419	2,896,657	50.6%
Shareholders' equity	4,123,022	3,223,270	27.9%
Final dividend per share (in HK cents)	1.7	1.4	21.4%
EBIT	1,338,507	856,216	56.3%
EBITDA	1,833,194	1,202,815	52.4%

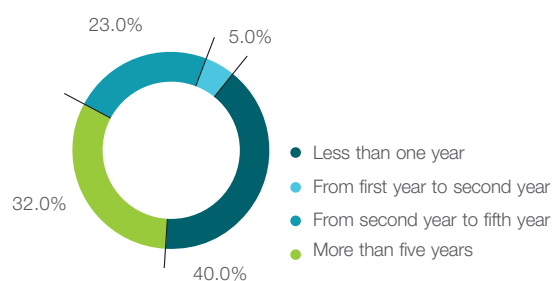
Key Financial Indicators

for the year ended 31 March	2010	2009
Average finance costs	4.3%	4.9%
Current ratio (times)	1.10	1.39
Gross profit margin (%)	20.7%	22.6%
Net gearing ratio	1.32	1.37
Net profit margin (%)	9.9%	2.1%
Payout ratio (%)	6.5%	45.0%
Return on average equity	23.8%	3.3%

Turnover breakdown



Debt Maturity Profile



Measurements:

- **Average finance costs** Interest expenses/Average borrowing for the year
- **Current ratio** Current assets/Current liabilities
- **Gross profit margin** Gross profit/Turnover
- **Net gearing ratio** Net borrowing/Shareholders' funds
- **Net profit margin** Net profit for the year/Turnover
- **Payout ratio** Dividend per share/Earnings per share
- **Return on average equity** Profit attributable to equity holders of the Company/Average equity attributable to equity holders of the Company

Operational Highlights

Operational Performance

for the year ended 31 March	2010	2009	Change
	<i>million m³</i>	<i>million m³</i>	
Gas sales volume			
Natural gas	3,380.0	2,130.3	58.7%
Coal gas & LPG	212.4	195.6	8.6%
Sales of piped natural gas			
Residential	392.1	276.7	41.7%
Industrial	2,403.2	1,463.3	64.2%
Commerical	338.0	221.9	52.3%
CNG stations	246.7	168.4	46.5%

New Connections

for the year ended 31 March	2010	2009	Change
Residential	657,907	418,695	57.1%
Industrial	323	186	73.7%
Commerical	3,825	2,616	46.2%
CNG stations	31	15	106.7%

Customers (No. of users)

for the year ended 31 March	2010	2009	Change
Residential	4,837,436	3,745,370	29.2%
Industrial	810	420	92.9%
Commerical	33,476	28,511	17.4%
CNG stations	91	60	51.7%
Urban population covered	55,918,375	50,550,000	10.6%
Penetration rate (%)	30.30%	24.70%	30.8%
Average connection fees (RMB)	2,368	2,437	-2.8%

Average tariffs (ex-tax)

for the year ended 31 March	2010	2009	Change
	<i>RMB/m³</i>	<i>RMB/m³</i>	
Residential	1.88	1.85	1.6%
Industrial	2.09	1.97	6.1%
Commerical	2.13	2.06	3.4%
CNG stations	2.17	2.08	4.3%

Non Financial Performance

Achievements

- **The Asset** The Asset China's Most Promising Companies 2009
- **Finance Asia** Continued to be recognised for excellence in corporate management, investor relations and corporate governance
- **sci99** Best Gas Enterprise Award and Grand Achievement Award
- **Capital Magazine** Outstanding Natural Gas Provider

Operational Location

Our Services Areas

- 1 Anhui**
Wuhu
Huainan
Shouxian
Suzhou
Wuhuxian
Nanlingxian
Huoshanxian
Fengtaixian
Wuweixian
Xiuningxian
- 2 Hubei**
Yichang
Xiaogan
Hanchuan
Yingcheng
Yunmeng
Suizhou
Tianmen
Dangyang
Dangyang
Long Distance Pipeline
Xiaogan
Long Distance Pipeline
Huanggang-Daye
Long Distance Pipeline
- 3 Hunan**
Yiyang
Yuanjian
Youxian
Zhangjiajie
- 4 Jiangsu**
Pukou
Pizhou
Yangzhong
Jiang Bei District, Nanjing
Jiawang District, Xuzhou
Xinyi, Xuzhou
Yangzhou City
- 5 Zhejiang**
Xiaoshan district, Hangzhou
Shaoxingxian
Taizhou
Jinhua
- 6 Hebei**
Cangzhou
Nanpixin
Qinghexian
Wangdu city
Tangshan Nampo
Letingxian
Xinle
Gaocheng
Pingshanxian
Fengnan District of Tangshan
Neiqiuxian
Bohai New Zone
Huanghua
Long Distance Pipeline
- 7 Guangxi Zhuang Autonomous Region**
Nanning
Bobai
Yulin
Qinzhou
Liuzhou
Fangchenggang
Nanning ASEAN Development Zone
Laibin
Baize
- 8 Shaanxi**
Baoji
Qishanxian
Yulin
Linyouxian
- 9 Guangdong**
Maoming
Conghua
Meizhou
Yunfu
Shanwei
Fengxunxian
Pingyuanxian
Xinxingxian
- 10 Liaoning**
Fushun
Dailian
Jinzhou Economic Hi-Tech Development Zone
Shenyang Sujiatun
Dailian Jinzhou
Development Zone
Liaoyang
Gaizhou
Zhuanghe City
Linghai City
Pulandian
- 11 Chongqing**
Yubei
Chongqing Long Distance Pipeline
- 12 Shandong**
Dezhou
Qingdao
- 13 Inner Mongolia**
Hohhot
Wuzhen Banner
Baotou
Helinger County
Tuoketuo County
Tuzuo Banner
Wuchuan County
Mudanjiang
Jiagedaqi
Wuzhen Banner Long Distance Pipeline
Otog Banner Long Distance Pipeline
- 14 Heilongjiang**
Harbin
Jiamusi
Shuangcheng
Otog Banner
- 15 Ningxia Hui Autonomous Region**
Zhongwei
- 16 Fujian**
29 cities/regions
- 17 Tianjin**
Tianjin Long Distance Pipeline
- 18 Beijing**
Yanqingxian
Zhongguancun Science Park
- 19 Jiangxi**
Nanchang Wanli



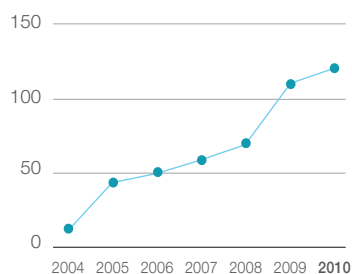
Further Strengthening of Natural Gas Business

After eight years of development, we continue to step up our efforts in the expansion and restructuring of city gas projects amid fierce competition in the PRC gas industry, and keep on expanding the market share of piped gas in China. We now have a coverage of 60 million users and over 4.70 million connected customers of piped gas in the cities and these have established an integrated upstream, midstream to downstream strategic network of city gas projects, making us the most important

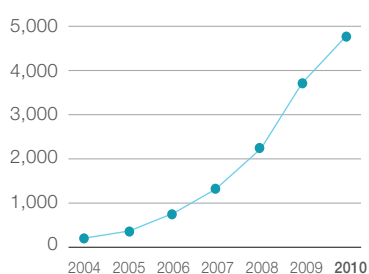
cross-national professional city gas operator and a key platform for energy cooperation in Asia. Looking into the coming years, the Group will endeavor to engage in integrated development and utilization of natural gas as a green energy and will be actively involved in the construction and development of city gas pipe network in China with a view to developing itself into the most marketable and influential gas corporation with customers' trust and social respect.

Maturity

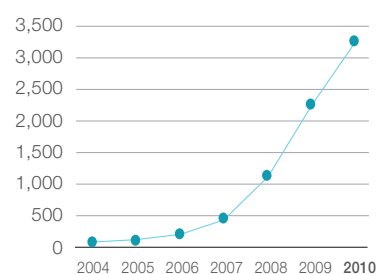
No. of Concession Rights



No. of Residential Customers ('000)



Gas Sales Volume (million m³)



FY 2010 was another year of significant growth of China Gas both operationally and financially.

3.4 Billion m³

GAS VOLUME REACHED

123 cities

EXCLUSIVE CONCESSIONS AT

4,800,000 users

RESIDENTIAL CUSTOMERS EXCEEDED





Potential

Full Coverage Of CNG Automobile Refilling Station Business

We see our CNG automobile refilling station business as the new and key growth driver of the Group in the future and therefore have commenced specific planning and deployment for the development of CNG automobile refilling stations. In particular, we focus on market planning to identify our competitive strengths in our model of refilling station and site selection. We have established an all-round organizational structure with defined objectives and responsibilities. Coupled with effective measures and our first-mover advantage in public vehicle refilling, we are able to firmly capture the public vehicle market and capitalize on the public vehicle parking space to set up refilling stations. This has gained much support from the government.

In recent years, the Group has set up and operated 91 CNG automobile refilling stations in over 32 cities nationwide, and formulated its own set of technical specifications and management standards for CNG automobile refilling stations in accordance with the national standards.



800 Million m^3

We see our CNG automobile refilling station business as the new and key growth driver of the Group in the future and therefore have commenced specific planning and deployment for development. In just four years, we have set up and operated 91 CNG automobile refilling stations nationwide, and formulated our own set of technical specifications and management standards for our CNG automobile refilling stations in accordance with the national's standards.

We have formulated the development plan for our CNG automobile refilling station business for the three years ahead. In the coming three years, we will construct at least 120 CNG automobile refilling stations. Upon completion, our daily sales volume of CNG will exceed 2.20 million cubic meters and our annual sales volume of CNG will reach 800 million cubic meters.

Fast Growing LPG Business

Since our entry to the PRC LPG market in 2008, the Group's LPG business has been growing rapidly. Presently, it has become the largest LPG distributor in China and owns the largest LPG distribution network in China. Such network owns 11 LPG designated terminals, four large-scale petrochemical products storage and logistics bases and three production units of alternative energy with an annual production capacity of 130,000 tonnes dimethyl ether in five provinces along southeastern coast of China, and the largest LPG storage tank facilities in Asia. It has 37 subsidiaries as distributors in five provinces. Such network has formed a comprehensive system for the sales, logistics

and distribution of petrochemical products in the southeastern coast of China. At the same time, the Group also acquired the entire equity interests in Shanghai Huachen Shipping Company (上海華晨船務公司), the second largest coastal LPG transportation company in China to establish a firm foundation for its LPG shipping business. Currently, it has established a strategic position that covers five provinces along the southeastern coast of China, reaching Yangtze River Delta, Pearl River Delta and the West Coast Economic Zone.

Prospect

LPG Market

Currently, we are the largest and the only vertically integrated LPG provider in China, linking the procurement and import in the upstream, storage and distribution in the midstream and the retail and sales system in the downstream. We will continue to strengthen our uniqueness of vertically integrated LPG industry chain. In our upstream resource integration, we have entered into direct procurement contracts with a number of refineries to reduce the cost of procurement. In our downstream market, we will accelerate the pace of asset acquisitions in LPG market and invest more to build up our class 3 stations network with brand reputation and economies of scale.



Safety



Safety First Take Caution

In adherence to sustaining the economic development of the PRC cities, the Group endeavors to enhance the standard of living of the general public. Our mission is to allow the general public to enjoy the safety, convenience and effective working and living environment of natural gas. Our management principle of “Safety First and Safety Priority” is deeply rooted in people’s heart. In the financial year of 2010, the overall safety of the Group’s operation remained stable. In order to improve and enhance the management standard of the Group’s safety operation and to establish a sound corporate image, the Group will, in the coming year, continue to push ahead the refined management and procedural control of safety; improve the rules of

production and operation, rules of safety management, rules of customer safety management and operational records; formulate the safety and operational skill training programs for frontline staff, including CNG equipment maintenance, gas pipe facilities maintenance, operational rules, common knowledge and safety rules to effectively enhance the operational skills and safety operational standard of frontline staff through comprehensive training. Through a diversified range of publicity, the Group delivers the message of gas safety to the general public with a view to minimizing and eliminating customers’ accidents as well as strengthening the social responsibility image of the Group.



Environmental Protection and Sustainable Development

As a cross-national large-scale gas corporation providing clean energy in China, the Group endeavors to create a better living environment for the community at present and in the future in adherence to the principles of green environment and sustainable development. In planning our business development, we strive to balance the needs of everyone in terms of the economy, community and the environment. In commencing our projects and providing services, we undertake our environmental and social responsibilities as an enterprise through our design, project quality, operating efficiency, quality of service and emission reduction efficiency; and realize our undertaking to achieve social and self sustainable development by constantly improving our operating efficiency, upgrading our quality of service and enhancing our standard of operational safety. We make use of various media and home visits to promote the use of clean energy and facilitate the concept of environmental protection and emission reduction. We actively undertake our corporate social responsibilities, business ethics, health, safety and environmental commitments and implement a comprehensive set of management rules to create a better community and environment for our customers, shareholders, related parties and the general public.

CHAIRMAN'S STATEMENT

- Turnover was **HK\$10,211,959,000**, an increase of approximately **61.5%** over the same period last year.
- Accumulated connected domestic households, accumulated connected industrial users and accumulated connected commercial users were **4,837,436** users, **810** users and **33,476** users respectively, an increase of approximately **29.2%**, **92.9%** and **17.4%** over the same period last year.
- Natural gas sales volume amounted to **3,380,025,000 m³**, an increase of approximately **58.7%** over the same period last year.
- LPG sales volume amounted to **944,000 tonnes**.

Results

For the financial year ended 31 March 2010, turnover of the Group was HK\$10,211,959,000 as compared to HK\$6,323,823,000 in 2009, representing a substantial growth of 61.5%. Profit attributable to shareholders amounted to HK\$1,015,501,000; whilst earnings per share was HK26.19 cents, representing a substantial growth of 658.1% and 742.1% compared with the last reporting period respectively.

Final Dividend and Closure of Registrar of Members

The Board recommended the payment of a final dividend of HK1.7 cents (2009: HK1.4 cents) per share for the year ended 31 March 2010.

The registrar of members of the Company will be closed from 13 August 2010 to 19 August 2010, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfer documents must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopwell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 pm on 12 August 2010. The dividend, if approved by the shareholders at the annual general meeting of the Company to be held on 19 August 2010, is expected to be paid to qualified persons on or before 30 September 2010.

New Projects Development

For new projects development, the Group had secured 50 new city gas projects in 10 provinces/autonomous regions/directly-administered cities over the past year.

The Group invested five in Liaoning Province; two in Heilongjiang Province; one in Inner Mongolia Autonomous Region; one in Jiangsu Province, two in Hunan Province, one in Jiangxi Province; five in Guangxi Zhuang Autonomous Region; one in Anhui Province and three were in Guangdong Province.

The Group completed 49% equity interest in Fujian Anran Gas Investment Company, Ltd. during the financial year of 2010 and hence the operation and management over its 29 city piped gas projects. This transaction has significantly expanded our natural gas user base and sales volume, and also underpinned our position in Fujian Province's gas market.

Financing

As the impacts of the global financial crisis dissipate, commercial credit activities have again become active. The Group continued to receive strong funding support from China Development Bank, four major commercial banks and a number of international banks in the past financial year, providing syndicated loans of various purposes for the Group's business development, and this demonstrates the Group's credibility in the banking community, and the recognition of the Group's business prospects. Domestically, China Development Bank, the state's policy bank continues to provide strong RMB funding support for the Group.

Our Board

Over the past year, the Board operated smoothly and all the Board members actively participated in board meetings and discussed and exchanged views from time to time on matters relating to the business development direction and financing of the Group as well as industry trend and global economy. I strongly believe that such composition of our Board will, for sure, drive the business momentum of the Group.

In April 2010, Mr. William Rackets, representing Oman Oil Company, S.A.O.C. and Mr. Kim Joong Ho, representing SK E&S, resigned from their positions as non-executive directors of the Company. On behalf of all the members of the Board, I would like to extend our gratitude for the services provided and contribution made by Mr. Rackets and Mr. Kim during their directorships with the Company. In their stead, Oman Oil Company, S.A.O.C. nominated its deputy CEO Mr. Mulham Al Jarf as non-executive director whilst SK E&S also nominated its representative director Mr. Moon Duk Kyu as non-executive director. I, on behalf of the board, hereby welcome both of them to join the Company in strong belief that their extensive industry experience will avail the Group of much more valuable ideas.

I will continue to ensure the Board to maintain high standards of governance and leverage on its expertise and experience to lead the Group to become a highly influential gas enterprise in China.

CHAIRMAN'S STATEMENT

Prospects

After years of development, the Group has already established a nationwide network of project companies. Over the past financial year, the Group actively developed gas business in the surrounding cities and counties through the network of such project companies to achieve mega-regional operation and management. As to CNG vehicle gas business, the Group strengthened its cooperation at various levels with a Canadian-based professional CNG compressors manufacturer over the past year, resulting in a comprehensive enhancement in the technology and equipment for vehicle refilling stations. The Group has also established a vehicle gas development department to lay a foundation for its vehicle gas business. Accordingly, leverage on our existing gas network and vehicle gas sales, the Group is gaining competitiveness in the overall gas supply market in China. As to liquefied petroleum gas distribution business, its revenue has generated positive economic efficiency to the Group over the past financial year.

I am optimistic about the core business of the Group. Looking into the next financial year, as to city gas distribution area, the Group will target at projects with reasonable investment returns; continue to seek various domestic city gas project investment opportunities; expand the gas business in the surrounding regions of our existing project companies; enhance customer's services; commence value-added business for existing users; and increase the sales volume of CNG vehicle gas. As to liquefied petroleum gas business, the Group will continue to operate the LPG wholesaling, retail and logistics related businesses with safety being the highest priority. It is expected that the LPG business will generate ongoing revenue and profit growth to the Group.

The Group will continue to establish and maintain long-term working relationships with domestic and overseas banks so as to cope with the future business development plan of the Group. The Group will also exercise full-scale supervision on the operation and financial management of each project company, improve the internal assessment system, strengthen the joint venture reform of state-owned enterprises, and strive for harmonious development between our staff, the enterprise, community and the environment. Moreover, the Group will endeavor to provide higher quality social public services and to become a well-managed gas corporation earning trust from the customers and respect from the community and creating value for its shareholders.

Lastly, I would like to express my thanks to the fellow board members for their contribution and support; and to all our staff and management team for their endeavors and hard work to enhance the operating conditions of the Group on an ongoing basis. On behalf of the Board, I would also like to extend my gratitude to our shareholders for their full support of our value-added strategies, as well as to the banking community and investors for their confidence, encouragement and recognition.

Li Xiao Yun

Chairman

7 July 2010

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is a gas operator and service provider primarily engaged in the investment, construction and operation of city gas pipeline infrastructure facilities, gas terminals, storage and transportation facilities, gas logistics systems, transmission of natural gas and LPG to residential, industrial and commercial users, construction and operation of gasoline and CNG refilling stations as well as the development and application of technologies relating to petroleum, natural gas and LPG in China.

Business Review

For the year ended 31 March 2010, turnover of the Group amounted to HK\$10,211,959,000 (year ended 31 March 2009: HK\$6,323,823,000), increased by 61.5% over the same period last year. Gross profit amounted to HK\$2,116,292,000 (year ended 31 March 2009: HK\$1,429,349,000), increased by 48.1%. Overall gross profit margin was 20.7% (2009: 22.6%). Profit for the year was HK\$1,015,501,000 (2009: HK\$133,959,000), increased by 658.1%. Overall net profit margin was 9.9% (2009: 2.1%). Earnings per share amounted to HK26.19 cents (year ended 31 March 2009: earnings per share amounted to HK3.11 cents).

New Projects Expansion

As of 30 June 2010, the Group had secured 123 city piped gas projects (with exclusive concession rights) in 19 provinces, autonomous regions and directly-administered cities, eight long distance natural gas pipeline projects, 91 CNG vehicle refilling stations, one natural gas development project, as well as 37 LPG distribution projects.

Set out below is the additional 50 city piped gas projects secured by the Group from 1 April 2009 to 30 June 2010:

Province/Autonomous Region/Directly-Administered City	City/District
Fujian Province	29 cities and regions
Liaoning Province	Liaoyang City, Gaizhou City, Zhuanghe City, Linghai City, Pulandian City
Heilongjiang Province	Mudanjiang city, Jiagedaqi
Inner Mongolia Autonomous Region	Otog Banner
Jiangsu Province	Pukou district of Nanjing
Hunan Province	Youxian, Zhangjiajie
Jiangxi Province	Wanli of Nanchang City
Guangxi Zhuang Autonomous Region	Nanning City, Dongmeng Economic Development Area in Nanning City, Laibin City, Baise City, Bobai City
Anhui Province	Xiuningxian
Guangdong Province	Xinxingxian, Fengshunxian, Pingyuanxian

MANAGEMENT DISCUSSION AND ANALYSIS

The above new projects cover a connectable city population of approximately 11,852,375 (approximately 3,704,000 households). The connectable city population covered by the Group's gas projects has increased to approximately 55,918,375 (approximately 17,278,805 households) as of June 2010, representing an increase of 10.6% as compared to that in 2009.

The Group completed the acquisition of 49% equity interests in Fujian Anran Gas Investment Company Ltd. ("Anran") during the period under review. This acquisition has significantly expanded the Group's natural gas user base and sales volume, while also provided an exposure to the Fujian market, one of the largest LPG consumers. The successful acquisition of Anran represents a strong backing for its subsidiary, Zhejiang Zhongyou Hua Dian Group to integrate the downstream LPG distribution market in Fujian and also establishes a solid foundation for the Group to further expand the Fujian gas market as a part of the Group's strategic plan. Currently, natural gas resources in Fujian Province come from the Fujian LNG terminal, which is owned by China National Offshore Oil Corporation ("CNOOC"). Upon the acquisition of Anran, the Group will be able to enhance the business cooperation with CNOOC which is providing strong backing for natural gas supply to its project companies in Fujian Province, and to capitalize on its well-established expertise and experience in the construction of CNG refilling stations and its capital strength to expand the Group's CNG refilling projects in Fujian Province.

Moreover, to align with the development of the Group's LPG business, during the financial year, the Group underwent an internal restructuring where Shanghai Zhongyou Energy became the holding company with its headquarters located in Shanghai. We believe that such internal restructuring can enhance the corporate image of Zhejiang Zhongyou Hua Dian Group and facilitate its debt financing and equity financing in the future.

Gas Business Review

The Group's gas business is managed under 2 segments, namely natural gas and LPG, the customer bases and market strategies of which are different from each other. The performance of each segment for the year ended 31 March 2010 is discussed as follows.

Natural Gas Business

As a gas supplier and service provider specializing in natural gas, the Group has already established a unique and well-fit operation management system in domestic gas industry after seven years of development with a view to improving the management efficiency and operating results.

Construction of Piped Gas Networks

Construction of city gas pipeline networks is one of the Group's principal businesses. Through the construction of city main pipeline networks and branch pipeline networks, the Group connects natural gas to residential, industrial and commercial users, and charges them for such connection and gas usage.

During the financial year, the Group had completed 10 processing stations, high-pressure gas pipelines of 184 km, city medium and low-pressure gas pipeline of approximately 1,397 km and branch and customer pipeline network of 3,045 km.

As at 31 March 2010, the Group accomplished piped gas supply in 90 cities, and had 87 processing stations, high-pressure gas pipelines of approximately 1,429 km, medium to low-pressure gas pipelines of approximately 15,865 km and branch and customer pipeline network of 31,513 km constructed. Designed gas supply capacity of the processing stations reached 19,264,000 m³ per day.

Piped Gas Users

Natural gas users of the Group mainly include residential users, industrial and commercial users and CNG vehicle refilling stations.

Residential Customers

During the financial year, the Group completed natural gas connections for 657,907 domestic households, an increase of approximately 57.1% over the same period last year. The average piped gas connection fee for residential users was RMB2,368.

During the financial year, the Group also acquired 434,159 residential users who were primarily from Nanning, Pukou, Liaoyang, Mudanjiang and Fujian Anran projects. As at 31 March 2010, the accumulated connected residential users of the Group grew by approximately 29.2% over the same period last year to 4,837,436, representing 30.3% of the total connectable domestic households.

Industrial and Commercial Customers

Compared to residential users, industrial and commercial users have higher demand for gas and are the focus of the Group's business direction. During the financial year, the Group completed connections for 323 industrial customers and 3,825 commercial customers and acquired 67 industrial customers and 1,140 commercial customers. Industrial users are primarily engaged in the petrochemical, porcelain making, building material productions, metallurgy and glass making industries.

As at 31 March 2010, the accumulated acquired and connected industrial customers and commercial customers of the Group were 810 and 33,476, representing an increase of approximately 92.9% and 17.4% respectively as compared with that in the same period last year. During the financial year, connection fee for industrial users was calculated on the basis of the contracted daily gas volume at the average rate of RMB40 per m³ and the average connection fee paid by commercial customers was RMB36,045 per customer.

During the financial year, the Group's gas connection income grew by approximately 29.6% over the same period last year to HK\$1,461,573,000, representing approximately 14.3% of the Group's total revenue for the year.

CNG refilling stations for vehicles

During the financial year, to cope with the fast growing vehicle refilling market, the Group has specially established a vehicle gas development department to further improve the relevant management systems and work procedures, and to set up a comprehensive supervision and assessment mechanism for project construction and market development. At the same time, it has also strengthened the cooperation with IMW, a Canadian-based professional refilling station equipment manufacturer, resulting in a comprehensive enhancement in the overall design, provision of equipment, technology training and repairs & maintenance for the vehicle refilling business of the Group. This has laid a solid foundation for the Group to further expand the vehicle refilling market. The Group owned 91 CNG refilling stations for vehicles, with a daily capacity in excess of 1,350,000 m³. Sales volume of CNG for vehicles took up 7.3% of the Group's total sales volume of natural gas during the financial year, representing an increase of approximately 47.9% as compared to the same period last year.

MANAGEMENT DISCUSSION AND ANALYSIS

Sale of Natural Gas

The operating income of natural gas includes connection fee and sales of gas. Connection fee is a one-off income; whereas the Group's ultimate profit comes from the sales income of gas.

During the year, the Group sold a total of 3,380,025,000 m³ of natural gas, an increase of 58.7% as compared to the same period last year, of which 392,083,000 m³ was sold to residential users, 2,403,198,000 m³ to industrial users and 338,002,000 m³ to commercial users and 246,742,000 m³ to CNG vehicle drivers.

During the financial year, gas sold to industrial users accounted for approximately 71.1% of the total natural gas volume sold, commercial users approximately 10.0%, residential users approximately 11.6% and CNG vehicle drivers approximately 7.3%. With a large proportion of industrial users in its customer mix, the Group enjoys huge potential in its future gas sales. In addition, as the local government implements more relaxed tariff control for industrial users, it is much easier for the Group to transfer the risk of upstream natural gas price fluctuation to them.

During the financial year, the Group's natural gas sales income grew by approximately 43.1% over the same period last year to HK\$3,831,627,000, representing approximately 37.5% of the Group's total revenue for the year.

As at 31 March 2010, the daily natural gas supply capacity of the Group reached 10,410,000 m³, increased by approximately 51.9% over the same period last year, of which the actual domestic usage was approximately 1,262,857 m³/day, actual industrial usage approximately 7,245,360 m³/day, actual commercial usage approximately 1,105,567 m³/day, and actual CNG vehicles usage approximately 802,750 m³/day. As of 30 June 2010, the total natural gas supply of the Group had exceeded 11,013,000 m³ per day.

In the past financial year, the average selling price (pre tax) was RMB1.88 per m³ for residential users, RMB2.09 per m³ for industrial users, RMB2.13 per m³ for commercial users, and RMB2.17 per m³ for CNG vehicle drivers.

The core business of the Group is piped natural gas supply. However, some of the projects where piped natural gas is not accessible are still selling piped coal gas as a transitional gas. During the period, sales income of piped coal gas from Fushun, Liuzhou, Yangzhou, Qingdao and Harbin was recorded. A total of 212,354,000 m³ piped coal gas was sold during the financial year, of which 132,944,000 m³ was sold to residential customers, 54,786,000 m³ to industrial customers and 24,624,000 m³ to commercial customers.

Liquefied Petroleum Gas Business

As a result of the PRC government's recent upward adjustment of a number of energy products, the price difference between LPG and other energy products including refined oil, natural gas and coal is narrowing, which further drives the demand for LPG consumption. Meanwhile, as the pace of urbanization in the PRC accelerates, urban and rural places and some small and medium cities and towns that are not covered with piped gas will definitely turn to LPG as their major fuel for domestic use. In addition, the rising living standard in rural areas due to the "new policy on rural villages" implemented by the PRC government has also further increased the ability of rural areas to afford clean and convenient energy such as LPG. 70% of LPG consumption in China are for domestic use; while the industrial users and drivers only account for a small proportion, not to mention its application on value-added areas as a chemical feedstock. Compared to the percentage of consumption in developed countries, the growth potentials for LPG market in China is enormous in the future.

For LPG market supply, as the new refineries and existing refineries in the PRC expand their production capacity, the supply of liquefied petroleum gas by domestic manufacturers will continue to increase and the global LPG supply will remain sufficient. On the other hand, RMB appreciation will further stimulate demand due to the corresponding reduction in the LPG import costs. Accordingly, we believe that LPG as a clean, efficient and convenient energy product will complement with natural gas and the LPG market demand in China will follow a long-term steady growth trend in the future.

LPG Business Review

During the past financial year, the Group actively tackled with the volatile movements of the international and domestic market prices and fierce domestic competition and recorded a set of improving results compared with that of last financial year. The Group sold a total of 944,000 tonnes LPG. Total revenue was HK\$4,637,924,000, operating profit was HK\$74,471,000 and profit after tax amounted to HK\$10,051,000.

In terms of regulation of operation and enhancement of operational efficiency, over the past year, the Group continued to implement and improve the standardized management mechanism and procedural system; implemented the breakdown, implementation of procedural control and assessment of operating indicators; established the operating budget suitable for the needs of business development; launched the professional and computerized management; set up and implemented the domestic and overseas LPG price tracking, analysis and forecast system that utilizes EAS and EHR IT operational and management platform to strengthen the management and control level.

Looking into the coming financial year, the Group will continue to strengthen its unique advantage of vertically-integrated LQP supply chain. As for the upstream resource integration, the Group will enter into direct procurement contracts with many refineries including CNPC Kunlun and Sinopec to lower the cost of procurement. As for the downstream market, the Group will accelerate the pace of assets acquisition in the LPG market and invest more to set up and form terminal category 3 stations with brand reputation and economies of scale.

MANAGEMENT DISCUSSION AND ANALYSIS

Human Resources

A team of excellent employees is vital to the success of a corporation. The Group adheres to the management concept of “people come first”. It has established and improved the system of recruitment and internal training. The system provides mechanism for upgrading the professionalism and competence of its staff at all levels on an ongoing basis and also creates a platform for knowledge exchange and experience sharing among its staff. The Group recruits and retains quality staff through enhancing job satisfaction and attractive remuneration package.

As at 31 March 2010, the Group has approximately 17,382 employees, an increase of approximately 7.9% over last year. More than 99.9% of the Group’s employees are located in China. Remuneration is determined with reference to the qualifications and experience of the staff and according to the prevailing industry practice in the respective regions where the project companies operate. Apart from the basic salaries and pension fund contribution, some employees may be given discretionary bonuses, merit payment and share options depending on the financial results of the Group and performance of these individual employees. During the financial year, the Group allocated share options to some of its employees to recognize their contribution to the Group. The Group also provides extensive training including training programs for new employees and different levels of technical and management courses for the Group’s management and employees.

Corporate Management

In adherence to the regulated, standardized, institutionalized and computerized management principles, the Group continues to enhance the level of management and operation. Over the past financial year, the management of the Group further formulated and improved many management systems and mechanisms in the headquarters and the project companies leverage on its practical experience accumulated over the past years and actual needs; and refined the assessment and administrative measures of project companies of different sizes and at different development stages. In establishing a set of sound management standards and system, the Group also actively participated in different forms of internal and external inspection extensively to ensure the implementation and continuation of the management system.

In addition, the launch and application of the Group’s IT system has achieved stage breakthrough and the IT development has attained its initial success. The Group has also realized complete computerization in all modules of its principal business, including the establishment of an operating database, management of performance assessment and electronic management of budget procurement and internet operations; and the trial run of the project management system as well as the computerized production and operation system. The comprehensive management of each business module has helped build up an IT system administration platform for the Group and the project companies, providing advanced tools and technology assurance in the enhancement of the Group’s management and operational standards.

Excellent Management

The Group's management team is committed to upgrading its corporate governance and transparency. In recognition of the effort of the Group's management, the Group was ranked No. 1 in the "The Asset 2009 Highest Potential PRC Enterprise" (The Asset 2009 最具潛力中國企業) under the category of petroleum and natural gas industry by The Asset Magazine. The Asset Magazine is an authoritative regional financial magazine with a variety of readers ranging from decision-makers of Asian large-scale corporations and financial institutions. In this poll, professional investors and research analysts were invited by The Asset Magazine to elect, together with the Editors Committee of the Asset Magazine, the highest potential company from 300 PRC-based companies mainly listed on the Hong Kong Stock Exchange.

Meanwhile, in the 2010 Asia's top companies poll organized by FinanceAsia, a leading financial magazine in Asia Pacific, the Group was granted the "The Best Management", "The Best Corporate Governance" and "The Best Investor Relations" awards four years in a row in the Mainland China section. This fully demonstrates that the Group's efforts in corporate management, investor relations and corporate governance are well endorsed by the investing community.

The Group has been granted the "Best Gas Enterprise Award" (最佳燃氣企業獎) and "Grand Achievement Award" (最高貢獻獎) in the Gas Enterprise of the Year 2009 Campaign (2009 燃氣企業群英榜年度評選活動) jointly organized by a PRC renowned consulting and media body "sci99" and finance.sina.com, hexun.com, finance.ifeng.com, finance.people.com.cn and business.sohu.com. Voting of the campaign was conducted by phone, text messages and online poll and was based on criteria such as the motivation of the enterprise on industry development, contribution made by the enterprise to drive social progress, technology product innovation and management innovation.

In addition, the Group has been named "Capital's Outstanding PRC Natural Gas Supplier" five years in a row by Capital Magazine. Capital Magazine is one of the best-selling and authoritative Chinese financial magazines in Hong Kong.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Liquidity

In face of the prevailing economic conditions, it is essential for any company to maintain sufficient liquidity. Due to its business nature, the Group has an inherently robust cashflow. Coupled with the effective and well-established capital management system, the Group is able to maintain its competitive edge under the pressure of credit crunch.

As at 31 March 2010, the total assets of the Group was HK\$22,997,594,000, increased by approximately 27.6% as compared to that as at 31 March 2009. The Group's cash on hand was HK\$4,361,419,000 (31 March 2009: HK\$2,896,457,000). The Group had a current ratio of approximately 0.80 (31 March 2009: 0.89). After deducting the LPG trade finances related facilities of Zhongyou Hua Dian amounting to HK\$2,450,349,000, the Group's current ratio was 1.10. The net gearing ratio was 1.32 (31 March 2009: 1.37). The calculation of net gearing ratio was based on the net borrowings of HK\$6,884,796,000 (total borrowings of HK\$13,696,564,000 less the LPG trade finances related facilities of Zhongyou Hua Dian amounting to HK\$2,450,349,000 and bank balances and cash of HK\$4,361,419,000) and the net assets of HK\$5,230,237,000 as at 31 March 2010.

The Group has always been pursuing a prudent financial management policy. The majority of the cash available were deposited with credible banks as demand and time deposits.

Financial Resources

Owing to its continuous efforts in seeking a long-standing relationship with local, Chinese and foreign banks, the Group is able to obtain additional available credit facilities from new banks apart from the ongoing project finance provided by China Development Bank. As of June 2010, over 20 banks extended syndicate loans and credit facilities to the Group and most syndicate loans have a term longer than five years with an average maturity of nine years. The bank loan will be used as general working capital and the majority of which will accrue interest at US\$ LIBOR+1.25%.

As at 31 March 2010, the Group's portfolio of bank loans and other loans is as follows:

	2010 HK\$'000	2009 HK\$'000
Less than one year	5,294,761	3,103,855*
After one year but not more than two years	662,620	355,753
After two years but not more than five years	3,063,156	2,430,918
After five years	4,295,569	4,407,396
	13,316,106	10,297,922

* of these, the acceptance bills and trust receipts of Zhongyou Hua Dian amounted to HK\$2,255,659,000.

As at 31 March 2010, the Group had bank loans and other loans amounting to HK\$13,316,105,000, representing an increase of 29.3% over that of 2009, of which HK\$2,450,349,000 belonged to the trade finances related facilities.

The Company issued convertible bonds with 1% per annum coupon with an aggregate principal amount of US\$40,000,000 (the "Bonds") in June 2005. The Bonds expired on 29 June 2010. The initial conversion price of the Bonds was HK\$1.731 but the conversion will be adjusted in accordance to the initial agreement if any shareholding dilution events arise. The Bonds have been listed on the Hong Kong Stock Exchange since 1 June 2006.

As at 31 March 2010, upon the conversion of the remaining bonds in the amount of US\$2,000,000 into 9,012,131 ordinary shares of the Company, the Company had no outstanding bonds. The Company has also applied to the Stock Exchange of Hong Kong Limited for the delisting of the Bonds.

The operating and capital expenditures of the Group are financed by operating cash income, subscription moneys from strategic investors, bank loans, bonds, revolving credit facilities and development financial loans. The Group has sufficient funding to satisfy its future capital expenditures and working capital requirements.

Foreign Exchange and Interest Rates

No significant foreign exchange risk is expected as the Group's cash, borrowings, income and expenses are settled in Hong Kong dollars, RMB and US dollars.

Charge on Assets

As at 31 March 2010, the Group pledged certain property, plant and equipment and prepaid lease payments having a net carrying value of approximately HK\$298,075,000 and HK\$39,043,000 (2009: HK\$457,164,000 and HK\$37,047,000) respectively, investment properties having a net carrying value of HK\$27,220,000 (2009: HK\$19,200,000), trade receivables having a net carrying value of HK\$86,817,000 (2009: HK\$45,878,000), inventories having carrying value of HK\$138,729,000 (2009: HK\$87,651,000), pledged bank deposits of HK\$489,103,000 (2009: HK\$847,759,000) and certain subsidiaries pledged their equity investments in other subsidiaries to banks to secure loan facilities granted to the Group.

Capital Commitments

The Group has a capital commitment in respect of the acquisition of property, plant and equipment and construction materials for property, plant and equipment contracted for but not provided in the financial statements as at 31 March 2010 was HK\$146,754,000 (as at 31 March 2009: HK\$208,150,000) and HK\$140,194,000 (as at 31 March 2009: HK\$93,312,000) respectively, and such commitments would require a substantial part of the Group's present cash and external borrowings. The Group has undertaken to acquire shares of some Chinese enterprises and set up Sino-foreign joint venture companies in China.

Contingent Liabilities

As at 31 March 2010, the Group did not have any material contingent liabilities (as at 31 March 2009: Nil).

Liu Ming Hui
Managing Director

7 July 2010

CORPORATE SOCIAL RESPONSIBILITY

Our strategic vision is to be a responsible energy supplier in China delivering superior performance and growth while making consistent contributions to the society. We take our corporate social responsibilities (CSR) seriously and are committed to implementing our policies and systems across the Group.

- During the business operation, we are committed to maintaining a high standard of business ethics.
- In respect of employee relations, we are seeking to ensure that our employees have a safe, secure and fulfilling work environment.
- We are fully aware of the significance of environmental protection.
- We have always been giving high regard to health and safety.
- We have been actively involved in providing services to local community in the areas that we operate.
- We have been endeavoring to establish a long-term relationship with our suppliers and customers.

Business ethics

As an energy supplier engaged in the utility sector, the Group has always focused on the observance of business ethics in our operation and requiring each employee to adhere to the code of conduct and integrity in providing services to government authorities, civil servants, clients, colleagues, the Group and the public while seeking to build good personal and corporate reputation.

We are committed to providing efficient, safe and clean energy supply to our clients with a strong awareness of service in every business aspect. We insist on observance of integrity in our interaction within the Group and with our business partners, suppliers and clients while keeping our confidential information and trade secrets in strict confidence. We treat our employees, shareholders, business partners, clients and suppliers with fairness and always welcome and value any opinions and feedback from them. As a responsible utility, we remain in compliance with all prevailing laws, regulation and policies and maintain a high standard of code of conduct. We observe the laws and regulations of the countries and regions where our business is located and advocate for environmental protection, and seek to improve and enrich the public life through our high quality and efficient services.

Employee relations

Our responsibility as an employer is to ensure that our employees have a safe, secure and fulfilling work environment that allows them to reach their full potential. We have approximately 18,000 employees in 19 provinces all around China. We are committed to helping our employees understand their strengths and weakness and providing the resources to allow them to grow as individuals, both at work and at home through on-job training programs provided by Gas Technology Research Institute of China Gas and Management Institute of China Gas. Over the past period of time, these two institutes provide over 100 training programs covering areas in general management, production safety, market development strategy, customers service needs, financial management and application of information technology. Through a series of training programs, the Company hopes to ensure that our employees are skillful and fully equipped for the Group's future development and challenges in a fast-changing market and environment.

To sustain a committed and progressive workforce, the Group makes available to its employees a vast array of jobs and a wide range of attractive paths to career advancement, and they are also encouraged to express their career aspirations during their annual performance review. The Group recognizes the importance to treat employees equally, and we are committed to operate fairly at all times and not to permit discrimination against any employee or applicant for employment on the basis of race, religion, color, gender or age. In the meantime, the Group also conducts research and review of the career planning and working environment for our employees to ensure their widely diversified needs in respect of working conditions, working style, cultural background, position requirement and personal life are satisfied.

Furthermore, we believe that keeping employees fully informed of the business activities of the Group is an important means to let them feel being cared for. We organize face-to-face review meetings, annual conferences, democratic appraisal system, regular tea gatherings and seminar to improve our integration, develop leadership, encourage our employees to pursue career development opportunities and make them better understand corporate strategies and objectives. Also, we continue to extend the use of our intranet system as an effective channel for communication, despatch of industry policies and news, as well as e-learning and our monthly in-house magazine.

Caring for the Environment

In addition to being a clean energy provider that contributes to the reduction of pollution of the environment, the Group also wants to set examples for its employees and others to care about environmental protection.

Over the past financial year, the Group sold approximately 3.4 billion cubic meters of natural gas in aggregate, equivalent to approximately 5.78 million tonnes of raw coal in terms of calorific value with a corresponding reduction of carbon dioxide emission of approximately 3.84 million tonnes.

CORPORATE SOCIAL RESPONSIBILITY

In respect of energy saving, we seek to reduce electricity consumption through maintaining an optimal indoor temperature in offices, thereby reducing the emission of carbon dioxide to the environment. Besides, we have replaced all incandescent light bulbs by compact fluorescent lights as this can help reduce energy usage. In respect of waste management, we strive to minimize the generation of waste from daily operation and encourage our employees to reuse unwanted paper, and have established special arrangements with recycled-paper producers for them to make use of our overdue in-house magazines and packaging waste for conversion into recycled fibres. In the meantime, the Group imposes our environmental criteria on our product and material suppliers, requiring them to meet the statutory and our specific requirements for environmental protection and minimize the negative impact of their products on the society and environment in their materials selection, production and design.

We have also actively promoted paper-free delivery of information as well as video or audio conferences instead of physical meetings in order to reduce carbon-fuel travelling.

Health and Safety

We are committed to protecting the health of our people at the workplace and to this end, we organize regular medical examination annually and provide health and disease prevention consultancy to allow each employee to have proper knowledge and concern about personal health. Activities such as mountain-climbing competition and badminton contest are organized from time to time to increase the awareness for sports. During the year, the Group also developed an online library with view to improving the professionalism and enriching the leisure and culture life of our employees.

To ensure safe production is always the Group's primary commitment to all employees. We strictly implement and follow the guiding principles of "Safety First, Take Caution". We develop effective safety procedures, identify areas of responsibility and assign these responsibilities to appropriate individuals in each business location. We encourage our employees to be aware of safe systems of work and operating procedures as well as potential hazards on all sites in order to avoid unnecessary risks, and assist all employees to understand their responsibilities and statutory obligations, in particular to take reasonable care of themselves, those around them and those affected by their actions. Some of our operating units have received accolades for excellence in safety practices in their respective operating areas.

In terms of safety awareness in local communities, our operating units from time to time educate our customers on the correct use of gas appliances and basic safety knowledge by holding talks, communicating through radio, television and newspapers, and distribution of promotional materials. We also provide free gas appliances inspection and maintenance services to our customers and perform fire drills in collaboration with local fire departments.

Connecting with the Communities

Whether it is through providing employment or purchasing local goods and services, we believe it is our responsibility to support those communities and we encourage all our business units to support their local communities, make donation to local charities and community work projects and also make long-term commitments of support.

Our staff actively participate in charity activities in Hong Kong and China, such activities include the fund raising activities of The Community Chest such as the Casual Dress Day and for domestic earthquake victims, and providing funding for the local service hotlines in the areas that we operate. We also participate in the support of the under-privileged individuals in the society.

Relationship with our Suppliers and Customers

As a reliable gas supplier, the Group understands that the quality and safety of products provided by our suppliers are both highly important. We select suppliers not only in terms of pricing, but also their credibility, reliability, quality of supplies as well as after-sale services to ensure they can meet our qualitative and quantitative criteria. We have established our own procurement website on which suppliers from different parts of the country can post their products and services and the terms thereof. The Group treats its suppliers with trust, respect, equality and integrity with view to establishing a long-term relationship.

Customer's satisfaction is key to the future development of a utility operator. Although we are the monopolistic gas suppliers in a city, we never abuse on such status or take our customers' opinions and requested for granted. We monitor our standard of services through regular customers' satisfaction surveys and personal visits by our customers' ambassadors so that their feedback on us can be collected and properly dealt with in a timely manner.

CORPORATE GOVERNANCE REPORT

- China Gas Holdings Limited (the “Company” together with its subsidiaries, the “Group”) regards corporate governance to international standards as an integral part of its corporate culture and believes that good corporate governance not only fosters the confidence of investors but also further achieves our corporate values on a sustained basis.

Compliance with the Code

The Board of Directors (the “Board” or the “Directors”) continues to be committed to ensuring that the highest standards of corporate governance are maintained. The Board confirmed that China Gas has complied with the code provisions of the Code on Corporate Governance Practices (the “Code”) set out in Appendix 14 of the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) throughout the financial year ended 31 March 31 2010 other than the term of the appointment of non-executive directors.

The Board of Directors

The primary role of the Board is to create, protect and enhance long-term shareholders’ value. The Board is responsible for setting overall strategy for the Group, overseeing the businesses and affairs of the Group, monitoring the performance of the management and ensuring that a sound system of internal control and risk management is in place.

Board Composition, Balance and Independence

The Board consists of 13 members, five of whom are executive directors and eight are non-executive directors (including three independent non-executive directors).

On 13 April 2010, Mr. Mulham Al Jarf was nominated by Oman Oil Company to replace Mr. William Rackets to be appointed as a non-executive Director. On the same date, Mr. Moon Duk Kyu was nominated by SK E&S Limited to replace Mr. Kim Joong Ho to be appointed as a non-executive Director.

The table below sets out for each Director his/her Board committee memberships, if any. Details of the Directors are set out in the section of “Biographies of Board Members” of this Annual Report and can also be found on our website (www.chinagasholdings.com.hk).

Name of directors	Executive	Audit	Remuneration	Nomination
Executive Directors				
Li Xiao Yun (<i>Chairman</i>)				
Xu Ying (<i>Vice-Chairman</i>)	Member			Member
Liu Ming Hui (<i>Managing Director</i>)	Member		Member	Member
Zhu Wei Wei	Member			
Ma Jin Long				
Non-Executive Directors				
Feng Zhuo Zhi				
R.K. Goel				
Joe Yamagata				
Mulham Al Jarf (<i>Note 1</i>)				
Moon Duk Kyu (<i>Note 1</i>)				
Kim Joong Ho (<i>Note 2</i>)				
William Rackets (<i>Note 2</i>)				
Independent non-executive				
Directors				
Zhao Yu Hua		Chairman	Member	Member
Mao Er Wan		Member	Member	Chairman
Wong Sin Yue, Cynthia		Member	Chairman	Member

Table 1 Board committee membership

Note 1: Appointed as director on 13 April 2010

Note 2: Resigned as director on 13 April 2010

The structure, size and composition of the Board are reviewed from time to time to ensure that the Board has a balanced composition of skills and expertise appropriate for the requirements of the business. All appointments are first considered by the Nomination Committee and are then put to Board for decision.

With over half of the Board being non-executive and two-third not participating in the management of the Company, the Board is able to exercise independent judgment on corporate affairs and provide the management with a diverse and objective perspective on issues.

Members of the Board are competent and have a complimentary range of energy, financial, operational and entrepreneurial experiences that ensure a balance of viewpoints in the Board. All the non-executive Directors on the Board are highly reputed persons from their respective fields and they take part at the Board and committee meetings, which add value in the decision making process of the Board. There is no financial, business, family and other relevant relationship among members of the Board.

All independent non-executive Directors are independent from the shareholders and are not employees or under any contracts of service with them or holding any material shareholding in them. During the period, each of the independent non-executive Directors has provided an annual confirmation of his/her independence to the Company pursuant to the requirement of the Listing Rules. By taking into account the above factors, the Board considers all of the independent non-executive Directors to be independent.

CORPORATE GOVERNANCE REPORT

Chairman and Managing Director

The roles and responsibilities of the Chairman and Managing Director of the Company are separated and clearly defined.

The Chairman of the Board is Mr. Li Xiao Yun and he does not participate in the daily operations of the Group though he is an executive Director. Mr. Li is only responsible for the Company's overall strategic planning and for ensuring the effectiveness of the Board.

The Managing Director of the Company is Mr. Liu Ming Hui and he is charged with the executive responsibility for the day-to-day management of the Group's business.

Induction and Professional Development

On joining the Board, a newly appointed Director will receive a comprehensive induction package that contains all the materials and documents about the Group so as to ensure that he/she understands the business and operations of the Group, relevant rules (including Listing Rules) and other regulations to ensure proper understanding of his/her duties as a director of a Hong Kong listed company, and relevant publications relating to the responsibilities of a non-executive directors and compliance matters.

Continuing professional development is a vital part for Directors in this fast changing and competitive business environment. Directors are regularly updated with the regulatory development and the Group's business activities through email notification or discussions in board meetings or committee meetings from time to time where appropriate.

Securities Transactions

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules. A copy of the Model Code is sent to each Director of the Company. A reminder is also sent to all Directors 30 days and 60 days respectively before the date of the Board meetings to approve the Group's half-yearly and annual results reminding them that they cannot deal in the securities of the Company until such results have been published.

The Board confirmed that for the financial year ended 31 March 2010, all of the Directors of the Company have complied with the Model Code set out in Appendix 10 of the Listing Rules.

Directors' interests as at 31 March 2010 in the shares of the Company during the financial year are shown as follows:

Name of Director	Nature of Interest	No. of Shares held	Percentage of Shareholdings (%)
Liu Ming Hui	Personal	391,624,000 (L)	11.65
Wong Sin Yue, Cynthia	Personal	1,000,000 (L)	0.03

Table 2 Directors' interests as at 31 March 2010

L: Long position

Directors and Officers' Liabilities

The Company maintains appropriate insurance cover in respect of legal action against the Company's directors and officers when they discharge their duties. The insurance coverage is reviewed on an annual basis.

Operation of the Board

All the Directors are kept informed on a timely basis of major development of the Group's business. Directors meet with other senior management and staff of the Group occasionally, have access to advice and services from the Company Secretary and may take independent legal or other professional advice at the Company's expense as and when it is considered necessary for the proper discharge of their duties as Directors.

Regular Board meetings in a particular year are usually scheduled towards the end of the immediately preceding year to give all Directors adequate time to plan their schedules to attend. Meeting agenda of board meetings or committee meetings is generally distributed at least seven days before the meeting date. All directors are consulted as to whether they may want to include any matter in the agenda before the agenda for each regular board meeting is issued. The relevant board papers are generally distributed in writing to the Directors at least seven days in advance of the meetings for review by the Directors. Sensitive subject matters may be discussed at the meeting without written materials being distributed in advance or at the meeting. Minutes are taken for each meeting of the Board and its committees and any significant concerns raised by any Director are recorded in the minutes. Directors are given an opportunity to comment on draft Board minutes and final version of Board minutes is placed on record within a reasonable time after the Board meeting.

If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with in accordance with applicable rules and regulations and, if appropriate, an independent Board Committee will be set up to deal with the matter.

The Board, the Management and the Board Committees

The Board

The Board is responsible for setting overall strategy for the Group, overseeing the businesses and affairs of the Group and monitoring the performance of the management. Major issues which are brought before the Board include the strategy of the Group, major acquisitions and disposals, major capital investment, review and approval of financial performance and results of the Group and recommendation of dividends. The Board also ensures that an effective internal control system is maintained.

The Management

The Board delegates the operational management of the Group to the Managing Director and executive Directors (except the Chairman of the Board who is not involved in the daily operations of the Group). The executive Directors maintain day-to-day contact and meet regularly face-to-face or via video conferences with non-board senior management both in the head office and our operating units. The Group currently has over 150 operating units located in 19 provinces/autonomous regions/directly-administrated cities in China and each operating unit is headed by a General Manager who is responsible for the day-to-day performance of the operating unit.

CORPORATE GOVERNANCE REPORT

The Board Committees

The Board delegates authority to four principal committees to carry out certain tasks as defined in each committee's respective terms of reference. The terms of reference for all committees are set by the Board and are reviewed regularly.

The four principal committees of the Board are Executive Committee, Nomination Committee, Remuneration Committee and Audit Committee. Company Secretary is the secretary of all the committees. Other ad-hoc committees may be formed from time to time to look into specific areas as and when the need arises.

1. *Executive Committee*

The Executive Committee provides overall strategic direction to the Management, monitors the operations of all operating units and ensures that funding is adequate for the Group's investment projects. As set out in the terms of reference, the duties and authorities of the Committee mainly include:

- (i) to review the financial information of the Company;
- (ii) to discuss and make decisions on matters relating to the management and operations of the Company;
- (iii) to assess whether the proposed transaction to be entered into is a notifiable transaction in accordance to the Listing Rules and make recommendations to the Board thereof; and
- (iv) to review and discuss any other matters, as may from time to time be delegated by the Board.

During the financial year, the Executive Committee met as and when required to discuss the daily operations and affairs of the Group. It reviewed and approved major investments recommended by the Management. Besides, a committee comprising any two of the executive directors was set up to approve the issue and allotment of shares (i) under the share option scheme of the Company when exercise of share options arose and a total of 18,410,000 shares were issued under the share options scheme; and (ii) upon exercise of the convertible bonds and a total of 9,012,131 shares were issued.

In order to further assist the Executive Committee, sub-committees may be formed for the purpose of performing detailed due diligence reviews on proposed investment projects. Members of sub-committees include Executive Directors and senior management members in different key operational and functional areas and they report to the Managing Director regularly.

2. **Nomination Committee**

As set out in the terms of reference, the primary responsibilities of the Nomination Committee are, inter alia, to (i) review the structure, size and composition of the Board and make recommendations to the Board with regard to any changes that are deemed necessary; (ii) identify and nominate candidates to fill Board vacancies for the Board's approval; and (iii) review and recommend to the Board those directors who are retired but eligible and presenting themselves for re-election at the annual general meeting ("AGM").

At present, none of the executive and non-executive Directors are appointed for a fixed term. The Board believes that no fixed term of appointment for Directors could provide flexibility to serve the needs of the Company. All Directors are subject to retirement by rotation and re-election at AGM following their appointment and subject to rotation at least once every three years in accordance to the bye-laws of the Company.

In accordance with the existing bye-laws of the Company, at each AGM, one-third of the Board is required to retire by rotation and each Director who has stepped down may offer himself for re-election. Newly appointed director are not taken into account in determining the number of Directors required to retire by rotation at that AGM. In addition, any Director appointed during the year will stand for election at the next following AGM, ensuring that each Board member faces re-election at regular intervals.

For the financial year ended 31 March 2010, the Directors who are retiring and who, being eligible, will offer themselves for re-election at the forthcoming AGM, are named below:

Name of Director	Date of first Appointment	Date of last-re-election
Li Xiao Yun	22 August 2001	29 August 2007
Xu Ying	22 August 2001	29 August 2007
Feng Zhuo Zhi	30 May 2005	26 August 2008
Wong Sin Yue, Cynthia	21 October 2003	29 August 2007
Mulham Al Jarf	13 April 2010	–
Moon Duk Kyu	13 April 2010	–

Table 3 Directors to be retired and re-elected at 2010 AGM

Details of the Directors standing for re-election in the forthcoming AGM are set out in the accompanying circular to shareholders.

The Committee met once during the financial year to review and recommend to the Board those directors who are presenting themselves for election at the 2009 AGM.

CORPORATE GOVERNANCE REPORT

3. *Remuneration Committee*

As set out in the terms of references, the primary and principal responsibilities of the Remuneration Committee are:

- (i) to recommend to the Board on policy and structure for remuneration of all Directors and senior management and to establish a formal and transparent procedure for developing policy on such remuneration;
- (ii) to determine specific remuneration packages of all executive Directors and senior management;
- (iii) to make recommendations to the Board of the remuneration of non-executive Directors;
- (iv) to ensure appropriate disclosure in relation to remuneration issues in accordance to the Listing Rules for inclusion in annual report, financial statements and other relevant documents; and
- (v) to approve all services agreements made between the Company and executive Directors. Directors are abstained from discussing and voting in relation to their own remuneration packages.

The Committee would seek support from external and internal services so as to ensure that overall packages of executive Directors, other Directors and senior management are competitive and appropriate for the requirement of the business of the Group.

Remuneration packages for executive Directors (excluding the Chairman) consist of (i) fixed part (basic salary and benefits); and/or (ii) performance related bonus.

For non-executive Directors' fee structure, their remuneration packages consist of director's fee of HK\$120,000 per annum and committee membership fee for whether he/she is the member(s) of the board committees. At present, the chairman of the board committee would receive HK\$60,000 per annum and members of the board committee would receive HK\$30,000 per annum. The non-executive Directors received no other compensation from the Group except for the fees disclosed above and they do not receive any other benefits from the Company nor do they participate in any bonus. Non-executive director's fee is determined with reference to his/her duties and responsibilities of the Company and the prevailing market conditions and payable quarterly.

Total emoluments of the Directors for the financial year ended 31 March 2010 are summarized in below table:

Name	Fee/Salary		Performance related bonus		Contribution to retirement benefits scheme		Total	
	2010	2009	2010	2009	2010	2009	2010	2009
	'000	'000	'000	'000	'000	'000	'000	'000
Li Xiao Yun (Note 1)	3,000	3,000	-	-	-	-	3,000	3,000
Xu Ying	7,188	7,188	2,680	2,395	12	12	9,880	9,595
Liu Ming Hui	7,188	7,188	5,358	4,791	12	12	12,558	11,991
Zhu Wei Wei	468	468	160	160	12	12	640	640
Ma Jin Long	300	165	-	-	-	-	300	165
Feng Zhuo Zhi	120	120	-	-	-	-	120	120
R.K. Goel	-	30	-	-	-	-	-	30
Jo Yamagata	120	120	-	-	-	-	120	120
William Rackets (Note 2)	124	120	-	-	-	-	124	120
Kim Joong Ho (Note 2)	120	83	-	-	-	-	120	83
Zhao Yu Hua	240	240	-	-	-	-	240	240
Mao Er Wan	240	240	-	-	-	-	240	240
Wong Sin Yue, Cynthia	240	240	-	-	-	-	240	240

Table 4 Remuneration of each member of the Board for the financial year ended 31 March 2010 (All figures are in HK\$)

Note 1: For the two financial years ended 31 March 2009 and 31 March 2010, the Company incurred share-based payment expenses of HK\$138,000 for each financial year in respect of fair value of 5,000,000 share options granted to Mr. Li Xiao Yun by the Company on 20 October 2005 at an exercise price of HK\$1.50 with an exercise period from 20 October 2010 to 19 October 2015.

Note 2: Resigned on 13 April 2010.

CORPORATE GOVERNANCE REPORT

The Committee believes that remuneration packages should reward the efforts of all staff and Directors since a motivated workforce is a key element of the Group's performance and it recognizes that executive Directors bear the greatest responsibility for delivering corporate strategy that underpins long-term sustainable performance. As part of the remuneration package for all staff and Directors, the Company also grants share option to staff and Directors under the share option scheme of the Company to ensure that an appropriate balance of reward for responsibilities, motivation, retention and share participation. A total of 163,394,000 and 237,000,000 share options were granted to employees and Directors respectively during the financial year ended 31 March 2010.

The interests of Directors who have options to subscribe for ordinary shares of the Company, together with movements during the financial year are shown below:

Batch	Exercise Price (HK\$)	Exercise Period
1	0.80	1 September 2004 to 8 January 2014
2a	0.71	20 March 2005 to 5 October 2014
2b	0.71	22 November 2004 to 5 October 2014 ^{#1}
2c	0.71	1 January 2005 to 5 October 2014
3	1.50	20 October 2010 to 19 October 2015
4a	2.10	3 August 2009 to 2 August 2019 ^{#2}
4b	2.10	3 August 2011 to 2 August 2014

^{#1} *The exercise of options will be subject to the condition that the consolidated net asset value of the Group which shall be certified by the auditors appointed by the Company as at the date of exercise of the options being not less than HK\$1 billion.*

^{#2} *The exercise of options will be subject to the condition that profit after taxation of the Group as stated in the latest audited report of the Company shall not less than HK\$1.5 billion.*

	Batch	As at 1 April 2009	Granted during year	Exercised during year	As at 31 March 2010
Li Xiao Yun	1	5,000,000	-	-	5,000,000
	3	5,000,000	-	-	5,000,000
	4b	-	5,000,000	-	5,000,000
Xu Ying	1	5,000,000	-	-	5,000,000
	2b	90,000,000	-	-	90,000,000
	4a	-	100,000,000	-	100,000,000
Liu Ming Hui	1	5,000,000	-	-	5,000,000
	2b	130,000,000	-	-	130,000,000
	4a	-	100,000,000	-	100,000,000
Zhu Wei Wei	1	4,000,000	-	-	4,000,000
	2a	6,000,000	-	-	6,000,000
	4b	-	4,000,000	-	4,000,000
Ma Jin Long	1	9,240,711	-	3,300,000	5,940,711
	4b	-	4,000,000	-	4,000,000
Zhao Yu Hua	1	1,000,000	-	-	1,000,000
	2c	700,000	-	-	700,000
	4b	-	3,000,000	-	3,000,000
Mao Er Wan	1	1,000,000	-	-	1,000,000
	4b	-	3,000,000	-	3,000,000
Wong Sin Yue, Cynthia	1	1,000,000	-	1,000,000	-
	2c	700,000	-	700,000	-
	4b	-	3,000,000	-	3,000,000
Feng Zhuo Zhi	4b	-	3,000,000	-	3,000,000
Joe Yamagata	4b	-	3,000,000	-	3,000,000
R.K. Goel	4b	-	3,000,000	-	3,000,000
William Rackets (Note 1)	4b	-	3,000,000	-	3,000,000
Kim Joong Ho (Note 1)	4b	-	3,000,000	-	3,000,000

Table 5 Interest of each member of the Board in share options for the financial year ended 31 March 2010

Note 1: Resigned on 13 April 2010

The Committee met once during the financial year to review and approve the remuneration issues as disclosed in the 2009 annual report and the remuneration policy for the Board.

4. **Audit Committee**

As set out in the terms of reference, the main responsibility of the Audit Committee is to review, with the external auditors and the management, the Company's general policies and internal financial control procedures. It also reviews half-yearly and annual results announcements as well as the financial statements of the Group before they are submitted to the Board for approval. The Audit Committee also reviews and monitors external auditors' independence and effectiveness of audit process and recommends the appointment and re-appointment of the external auditors. All the members of the Committee have significant relevant financial expertise and are appropriately qualified to undertake their duties as Audit Committee members.

CORPORATE GOVERNANCE REPORT

The work performed by the Audit Committee in the past financial year included:

- i. review of the Company's annual financial statements for the year ended 31 March 2009, and recommendation thereof to the Board for approval;
- ii. recommendation to the Board to re-appoint Deloitte Touche Tohmatsu as external auditors of the Company for the financial year 2010 pending shareholders approval at the 2009 AGM;
- iii. review of the Company's interim financial statements for the six months ended 30 September 2009, and recommendation thereof to the Board for approval;
- iv. review of the report and the management letter submitted by the external auditors for the matters arising from their audit on the Group for the year ended 31 March 2009;
- v. evaluate the work of the external auditors and approval of the annual audit fee;
- vi. consider the annual and interim reports of the internal audit and the 2010 internal audit plan;
- vii. review the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting functions and related issues; and
- viii. review of the internal control proposal conducted by the external consultant.

The Committee met three times during the financial year 2009.

The Audit Committee has reviewed the amount of remuneration paid and payable in connection with the audit services provided by Deloitte Touche Tohmatsu for the fiscal year 2009.

Audit Services	Amount (HK\$)
Final results for the year ended 31 March 2010 (to be agreed)	5,500,000
Final results for the year ended 31 March 2009	5,000,000

Attendance at Board and Board Committee Meetings

Non-attendance at Board and Committee meetings is rare, although it may arise due to unforeseen circumstances or prior commitments which could not be rearranged. Where a Director is unable to attend a meeting he or she provides comments and feedback to the Company Secretary, who ensures that the comments received are raised at the meeting.

The Board is scheduled to hold four meetings in each financial year, as well as update teleconference calls from time to time. For the year ended 31 March 2010, the Board reviewed, discussed and approved materials matters including:

1. annual and interim financial statements;
2. transaction on acquisition of the equity interest in a group of natural gas projects in Fujian province;
3. grant of options to directors and employees; and
4. transaction on acquisition of a GEM listed company.

The following table details the attendance of Directors at meetings of the Board and Board Committees for the year ended 31 March 2010.

Name of directors	Board	Audit	Remuneration	Nomination
Executive Directors				
Li Xiao Yun (Chairman)	6/7			
Xu Ying (Vice-Chairman)	7/7			1/1
Liu Ming Hui (Managing Director)	7/7		1/1	1/1
Zhu Wei Wei	7/7			
Ma Jin Long	6/7			
Non-Executive Directors				
Feng Zhuo Zhi	6/7			
R.K. Goel	4/7			
Joe Yamagata	6/7			
Mulham Al Jarf (Note 1)	N/A			
Moon Duk Kyu (Note 1)	N/A			
Kim Joong Ho (Note 2)	6/7			
William Rackets (Note 2)	6/7			
Independent non-executive Directors				
Zhao Yu Hua	7/7	3/3	1/1	1/1
Mao Er Wan	7/7	3/3	1/1	1/1
Wong Sin Yue, Cynthia	6/7	3/3	1/1	1/1

Table 6 Attendances at the Board Meeting and Committee Meetings

Notes:

1. Appointed as non-executive director on 13 April 2010.
2. Resigned as non-executive director on 13 April 2010.

Risk Management and Internal Control

The Board has the overall responsibility for ensuring that the Group maintains a sound system of internal control to provide them with reasonable assurance regarding the achievement of objectives in relation to the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with applicable laws and regulations. However, there are limitations in any system of internal control and even the most effective system can only provide reasonable but not absolute assurance.

Under our existing internal control system, necessary policies, guidelines, procedures have been formulated, and corresponding monitoring mechanisms have been established. Our management is primarily responsible for overall design of the system whereas the head of department is responsible for overseeing or monitoring the internal control activities. The Internal Audit Department is an independent unit established within the Group, which provides the Board an appraisal of the Group's systems of internal controls to evaluate the adequacy and effectiveness of the controls established to safeguard shareholders' investment and the Group's assets.

CORPORATE GOVERNANCE REPORT

Risk Management

The Company has recognized the importance of risk management and has a process in place to identify, assess, and monitor the risks that may impact the achievement of the Company's objectives. The Company performed risk assessment to evaluate the nature and extent of the risks to which it is exposed. During the risk assessment process, the Group is able to identify the key risks facing the Group. The risks are prioritized according to the likelihood of their occurrence and the significance of their impact to the Group and risk management measures are in place to manage the risks to an acceptance level. The risk assessment results were utilised by the Internal Audit Department when carrying out the internal audit work so as to ensure they focus on the high risk areas and the effectiveness of the internal control system is monitored effectively.

During the year, some of the major risks were identified as follows:

1. Human Resource and Organisational Risks

Our ability to retain highly skilled and committed technical staff as well as talents specializing in finance, legal, general management and human resources is crucial to the future success of the Group. The Group understands that if they are unable to attract and retain employees with the right capabilities and experience, the Group's business and operations may be adversely affected.

With a view to minimizing these risks, management maintain effective and regular communications with the employees with regard to the Group's vision, core values and business policies. The Company establishes clear expectations for employee performance and provides ongoing training and education. We also evaluate employee performance and provide meaningful feedback. For new employees, we provide a comprehensive orientation session about their job responsibilities as well as on-the-job training and regular feedback on their work performance.

2. Corporate Reputation Risk

Any failure by our business units to meet production safety and social environmental standards could damage our corporate reputation and thereby impact on our business and financial results. We regularly organize seminars for the staff of the respective business units to explain and stress the importance of production safety and social environmental standards, as well as the internal guidelines and/or other relevant laws and regulations to raise staff's awareness of operational safety.

Internal Control

1. Policies and Procedures

The following policies and procedures were established to facilitate an effective internal control system for the Group:

- i. Our organization structure is designed to facilitate an efficient decision-making process. Generally speaking, subsidiaries' management are responsible for the daily operations whereas the Board and senior management at Group level are responsible for the critical decisions or matters in relation to Group strategies, acquisitions and finance. Our decision-making procedures, authorities and responsibilities have been clearly established, documented and communicated.
- ii. The Group has established its accounting procedures and manual which sets out the Group's accounting practices and authorities established by the management. Each business unit has a financial controller responsible for the financial control as well as to ensure the accuracy, completeness and timeliness of financial reports. The Group's Finance Department cooperates with the financial controllers of the subsidiaries to ensure that the financial reporting process and financial statements are in line with the established policies.
- iii. The Group's human resources policy has been formulated to ensure that our employees have the required expertise for their respective positions. Procedures and templates for recruitment, training, performance assessment and promotion as well as remuneration and job descriptions are defined and documented. Performance assessment is conducted at both the subsidiary and the Group level.
- iv. Our communication channels can help our employees to carry out their duties effectively. The Group's employees have access to the prevailing policies, instructions and guidelines. Our information system improves the management and monitoring of our business operations.

2. Internal Audit

The Company has set up its Internal Audit Department to carry out independent evaluations of our business units. The department has unrestricted access to the Group's business units as well as its records, properties and personnel. Our internal audit team conducts reviews on the Group's operations through the following key types of audit work:

i. Operational Audit

This main objective of operational audit is to examine whether the business unit's resources are being used in the most effective and efficient manner, and to review the internal control activities of the major activities/business procedures of the business units.

ii. Financial Audit

The purpose of financial audit is to assess whether there is sufficient control over cash and cash-equivalent assets, and whether there are adequate and effective internal control measures over the use of such asset. Unlike external financial audits, internal audits do not express professional opinions on the fairness of the financial statements.

CORPORATE GOVERNANCE REPORT

iii. Compliance Audit

This type of audit is to review compliance to laws, regulations, policies and procedures. In general, recommendations in relation to procedures and control activities are proposed to ensure compliance with the relevant laws and regulations as well as the requirements of internal policies and procedures.

iv. Information Systems (IS) Audit

This type of audit relates to assessing the effectiveness of the internal control environment of information processing systems and how these systems are being utilised. IS audits generally evaluate system input controls, output controls, processing controls, backup and recovery plan, system security, and IT environment reviews.

In addition, our internal audit team uses computer-assisted audit tools and techniques to enhance the effectiveness and efficiency of internal audit engagements. Reports issued by the Internal Audit Department include recommendations to improve the existing systems and procedures so as to enhance internal controls of the Group.

The Head of Internal Audit Department reports the results of the internal audit work to the Audit Committee as a standing item on the agenda of the Audit Committee's meetings. With the help from external consultancy firm, internal controls related training were provided to the general managers and department heads of our operating subsidiaries during the year.

Under our existing internal control system, necessary policies, guidelines, procedures, authority limits and monitoring mechanism have been established to facilitate the effective functioning of the control system. During the year, via the internal control evaluation conducted by the Internal Audit Department, the Board has thoroughly reviewed the effectiveness of the Company's internal control system for the year ended 31 March 2010

Way Forward

As part of the ongoing process to improve the Group's system of internal control, several initiatives are currently under consideration:

1. Continue the risk assessment of our business units;
2. Strengthen the skills of our internal audit team in information technology area as well as utilising computer-assisted audit tools and techniques in the audit work;
3. Strengthen the integration between the Internal Audit Department of large operating subsidiaries and the Group's Internal Audit Department;
4. Further promote the importance of ethics and code of conduct within the Group; and
5. Further enhance the knowledge of internal control within the Group at all levels of employees.

Communication

The Board and the senior management recognize the importance of maintaining good relations and communications with all its shareholders.

Shareholders and Investors

The Board believes that our shareholders must be given a fair and accurate view on the affairs of our company on an ongoing basis. We communicate with shareholders in an open, regular and timely manner so that the market has sufficient information to make informed investment decisions on the operations and results of the Company. Mechanisms employed included:

- i. regular non-deal road show meetings with our shareholders and institutional investors in different part of the world;
- ii. attending investors conference and forums organized by brokers throughout the year;
- iii. regular disclosure to our shareholders via half-yearly and annual reports; and
- iv. the Company's website (www.chinagasholdings.com.hk) where industry news, media releases, presentations to analysts, webcasting of important events and all the Company's announcements and circulars are accessible.

The Board encourages and seeks to build up a mutual understanding of objectives between the Group and institutional shareholders, fund managers and analysts. It believes that this is fundamental to ensuring that the Group's strategy is understood and that any questions or issues are dealt with in a constructive way. The Chief Financial Officer and the Head of Investor Relation Department follow an ongoing programme of dialogue, meetings, presentations and site visits with analysts, institutional investors and media representatives. Following any release of annual or interim results or other price sensitive developments, our Investor Relations personnel are available by email or telephone to answer questions from shareholders and the media as long as the information requested does not conflict with the HKEX's rules of fair disclosure. All investors and members of the public are welcome to give their comments and make their enquiries through the Company's website (www.chinagasholdings.com.hk) or by email at investor@chinagasholdings.com.hk.

Annual General Meeting

The Company's AGM gives an opportunity for the Board to communicate with shareholders and provides an update on the performance of the Group. Shareholders are invited to ask questions and to meet with the Directors both before the meeting and following the conclusion of the formal part of the meeting.

Notice of the meeting and the related circular are dispatched to the shareholders of the Company at least 20 business days before the meeting. Separate resolution for each substantial issue, including the election of director, is proposed at the AGM and details of the poll voting procedures and rights of shareholders to demand a poll are included in the related circular. Poll results in respect of each resolution proposed at the AGM would be published by way of an announcement after the closure of the meeting.

CORPORATE GOVERNANCE REPORT

Two shareholders' meetings were held in 2009. Details of them are summarized as follows:

Meeting	Date	Resolutions
SGM	28 August 2009	1. To approve the grant of share options to the Directors and refreshment of share option scheme mandate limit
AGM	28 August 2009	2. To receive the report of the Directors and the audited financial statements for the year ended 31 March 2009
		3. To declare final dividends
		4. To re-elect Directors and to authorize the Directors to fix the Directors' remuneration
		5. To re-appoint the auditors and to authorize the Directors to fix their remuneration
		6. To grant general mandates to repurchase shares and issue shares
		7. To amend the bye-laws of the Company

Our 2010 AGM will be held in August this year and the notice of the meeting and the related circular will be dispatched to the shareholders of the Company in mid-July.

Share Capital

The Company provides a regular update on information relating to the Company's share capital and other movements in its securities to the Stock Exchange (in both Chinese and English versions) within five business days next following the end of each calendar month and the same can be found in the Company's website (www.chinagasholdings.com.hk).

As at 31 March 2010, the issued share capital of the Company was 3,361,036,151 shares.

Shareholders Information

The following table details the location of our shareholders as of 31 March 2010.

Location of Shareholders (Note 1)	Number of shares held	% of the issued share capital
Hong Kong	2,545,269,091 (Note 2)	75.73
China	218,200,000	6.49
India	210,000,000	6.25
Oman	237,567,060	7.07
Philippines	150,000,000	4.46
Total	3,361,036,151	100.00

Notes:

1. The location of shareholders is prepared according to the addresses of shareholders registered in the register of members of the Company.
2. These shares include 2,362,820,480 Shares registered in the name of HKSCC Nominees Limited which may hold these shares on behalf of its clients in or outside of Hong Kong.

Directors' Responsibility in Preparing the Financial Statements

The Directors acknowledge their responsibilities in preparing the financial statements and ensure that the financial statements are in accordance with the statutory requirements and applicable accounting standards.

The statement of the Auditors, Messrs. Deloitte Touche Tohmatsu, about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report of the Financial Report 2010.

Corporate Social Responsibility

The Group recognizes the importance of corporate social responsibility and has made considerable efforts to participate in different forms of community activities. Details of these activities are set out in our Corporate Social Responsibility Report of the 2010 Annual Report.

Continuous Improvement

We believe that enhancement of our governance practices is necessary to suit the changing needs and we are committed to reviewing these governance practices on an ongoing basis and incorporating necessary improvements from time to time.

BIOGRAPHIES OF BOARD MEMBERS

Executive Directors

Mr. Li Xiao Yun, aged 54, is a Director of the Company since August 2001 and appointed as Chairman of the Company since April 2002. Mr. Li graduated from Beijing University in 1979 and has substantial years experience in economic management. Mr. Li is currently the President of Haixia Economy and Technology Cooperation Centre under Taiwan Affairs Office of the State Council of China.

Mr. Xu Ying, aged 48, is a Director of the Company and appointed as Vice-Chairman of the Company since August 2001. Mr. Xu graduated from Shanghai Jiao Tong University of Agriculture and Biology. Mr. Xu is the President of China Review News Agency.

Mr. Liu Ming Hui, aged 47, is a Director of the Company since April 2002 and appointed as Managing Director of the Company since July 2002. Mr. Liu received his Doctor of Business Administration degree from Preston University, USA and is currently a Guest Professor of School of Public Administration, Renmin University of China. He has substantial working experiences in government authorities and Chinese enterprises.

Mr. Ma Jin Long, aged 43, is a Director of the Company since September 2002. Mr. Ma received his Degree in Economics from Hebei University and EMBA from University of International Business and Economics. He has substantial experiences in financial management. Mr. Ma is the President of Beijing Zhongran Xiangke Oil Gas Technology Company Limited.

Mr. Zhu Wei Wei, aged 37, is a Director of the Company since September 2002. Mr. Zhu received his Master degree in Finance from Zhong-nan University of Finance & Economic. Mr. Zhu has substantial experiences in financing and project management.

Non-Executive Directors

Mr. Feng Zhuo Zhi, aged 54, appointed as a non-executive Director of the Company in May 2005. Mr. Feng graduated from 中國人民解放軍炮兵指揮學院 (Artillery College of the People's Liberation Army) and is currently the General Manager of a subordinate company of Haixia Economy and Technology Cooperation Centre under Taiwan Affairs Office of the State Council of China.

Mr. Joe Yamagata, aged 55, appointed as a non-executive director of the Company in October 2006. He received a master degree in Management from Massachusetts Institute of Technology and is specialized in international management and finance and is currently a Deputy Director General of Private Sector Operations Department of Asian Development Bank. Prior joining Asian Development Bank in 1994, Mr. Yamagata has been working in Toshiba Corporation, Tokyo, Japan for 15 years.

Mr. R.K. Goel, aged 59, appointed as a non-executive director of the Company in December 2006. Mr. Goel possesses over 30 years of experiences in financial management in major oil and gas companies in India. He has obtained his Bachelor of Honours Degree in Commerce with merit from Punjab University, India and is a fellow member of the Indian Institute of Chartered Accountants of India. He joined GAIL (India) Limited in 1988 and is currently the Director (Finance) of GAIL (India) Limited. Mr. Goel has had a rich experience in the area of project evaluation, financial appraisal of projects and international experience of oil & gas companies world wide specially relating to tariff fixation and regulatory issues.

Mr. Moon Duk Kyu, aged 58, appointed as a non-executive director for the Company in April 2010. He graduated from Korea University and is currently the representative director of SK E&S, a subsidiary of SK Group which is specializing in city gas distribution, power generation and energy-related business and services. Mr. Moon joined SK Group since 1975 and has substantial experiences in international financial management.

Mr. Mulham Al Jarf, aged 40, appointed as a non-executive director of the Company in April 2010. He was a graduate of International Business & Finance from Marymount University and a registered Barrister at the Bar of England & Wales. He is currently the Deputy Chief Executive Officer of OOC. He has substantial experience in the energy sector. Mr. Al Jarf was previously Head of Project & Structured Finance at OOC, Legal Counsel at OOC, Legal Officer at Oman Gas Company SAOC, and Legal Researcher at the Ministry of Oil & Gas. Prior to that he was a Business Planning Officer and then Legal Researcher at GTO (now Omantel), and also worked at INTESLAT in Washington DC.

Independent non-executive Directors

Mr. Zhao Yu Hua, aged 43, appointed as an independent non-executive Director of the Company in November 2002. Mr. Zhao graduated from Institute of International Economy, Nankai University and holds a master degree in economics. He joined J&A Securities Company in 1993, engaging in corporate financing and advisory business.

Dr. Mao Er Wan, aged 47, appointed as an independent non-executive Director of the Company in January 2003. Dr. Mao graduated from Mathematics and System Sciences, Chinese Academy of Sciences and holds a Doctor Degree. He was the Chief Economist of Da Cheng Fund Management Co. Ltd. He is currently a deputy professor of School of International Business, Beijing Foreign Studies University, a committee member of China Institute of Finance, Financial Engineering, deputy director of Financial and Securities Institute of BFSU and deputy director of Financial Quantity Analysis & Computation Committee.

Ms. Wong Sin Yue, Cynthia, aged 58, appointed as an independent non-executive director of the Company in October 2003. Ms. Wong is currently a Deputy General Manager of China Merchants Holdings (International) Company Limited and is responsible for finance. Ms. Wong holds a MBA degree. She held various senior positions at reputable international investment banks including Societe Generale, Deutsche Morgan Grenfell, Samuel Montague and Bear Stearns Asia for over 15 years during which period she had advised more than 50 companies in Greater China and Asia in their equity, equity finance or equity-related activities.

DIRECTORS' REPORT

The directors present their annual report and the audited consolidated financial statements for the year ended 31 March 2010.

Principal Activities

The Company acts as an investment holding company. The activities of its associates, jointly controlled entities and principal subsidiaries are set out in notes 20, 21 and 53, respectively, to the consolidated financial statements of the Financial Report 2010.

Results and Appropriations

The results of the Group for the year ended 31 March 2010 are set out in the consolidated statement of comprehensive income of the Financial Report 2010.

The Board recommended the payment of a final dividend of HK\$1.7 cents per share for the year ended 31 March 2010 to the holders of ordinary shares of the Company whose names appear on the Registrar of Members of the Company on 19 August 2010 subject to shareholders' approval at the forthcoming annual general meeting.

The final dividend, if approved by the shareholders, is expected to be payable on or about 30 September 2010.

Financial Summary

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out in the Financial Report 2010.

Investment Properties and Property, Plant and Equipment

The Group revalued all of its investment properties at the year end date. The net increase in fair value of investment properties, which has been credited to statement of comprehensive income, amounting to HK\$44,645,000.

Details of these and other movements during the year in investment properties and property, plant and equipment of the Group are set out in notes 17 and 18 to the consolidated financial statements of the Financial Report 2010 respectively.

Major Properties

Details of the major properties of the Group at 31 March 2010 are set out in the Financial Report 2010.

Share Capital

Details of movements during the year in the share capital of the Company are set out in note 35 to the consolidated financial statements of the Financial Report 2010.

Distributable Reserves of the Company

The Company's reserve available for distribution to shareholders as at 31 March 2010 comprised the accumulated profits of HK\$267,806,000.

Directors

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

Executive directors

Mr. Li Xiao Yun
Mr. Xu Ying
Mr. Liu Ming Hui
Mr. Ma Jin Long
Mr. Zhu Wei Wei

Non-executive directors

Mr. Feng Zhuo Zhi
Mr. Jo Yamagata
Mr. R. K. Goel
Mr. Kim Joong Ho (resigned on 13 April 2010)
Mr. William Rackets (resigned on 13 April 2010)
Mr. Moon Duk Kyu (appointed on 13 April 2010)
Mr. Mulham Al Jarf (appointed on 13 April 2010)

Independent non-executive directors

Mr. Zhao Yu Hua
Dr. Mao Er Wan
Ms. Wong Sin Yue, Cynthia

In accordance with the provisions of the Company's Bye-laws, Mr. Li Xiao Yun, Mr. Xu Ying, Mr. Feng Zhuo Zhi, Ms. Wong Sin Yue, Cynthia, Mr. Mulham Al Jarf and Mr. Moon Duk Kyu shall retire and, being eligible, offer themselves for re-election.

The term of office of each non-executive or independent non-executive director is the period up to his/her retirement by rotation in accordance with the above clause of the Company's Bye-laws.

Directors' Service Contracts

No director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Each of Mr. Xu Ying and Mr. Liu Ming Hui had entered into a service agreement with the Company commencing from 1 April 2008 for a period of three years.

DIRECTORS' REPORT

Retirement Benefits Scheme

Details of the Group's retirement benefits scheme are set out in note 46 to the consolidated financial statements set out in the Financial Report 2010.

Directors' and Chief Executives' Interests In Shares

As at 31 March 2010, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which (a) were required to be notified to the Company and the Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, to be notified to the Company and the Stock Exchange, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Rules Governing the Listing of Securities (the "Listing Rules"), were as follows:

(a) Ordinary shares of HK\$0.01 each of the Company (the "Shares")

Name of director	Nature of interest	Number of attributable number of Shares held (Note)	Approximate percentage or attributable percentage of shareholdings (%)
Mr. Liu Ming Hui ("Mr. Liu")	Personal	391,624,000(L)	11.65
Ms. Wong Sin Yue, Cynthia	Personal	1,000,000(L)	0.03%

L: Long position

Note: On 9 July 2010, the Company was notified by Mr. Liu and Hai Xia Finance Holdings Limited ("Hai Xia") that the sale and purchase agreement dated 8 March 2005 entered into between Hai Xia and Mr. Liu was lapsed.

(b) Share Options

Name	No. of options	Nature of Interest	No. of underlying shares	Approximate percentage to issued share capital (%)
Li Xiao Yun	15,000,000	Beneficial Owner	15,000,000	0.45%
Xu Ying	195,000,000	Beneficial Owner	195,000,000	5.80%
Liu Ming Hui	235,000,000	Beneficial Owner	235,000,000	7.00%
Zhu Wei Wei	14,000,000	Beneficial Owner	14,000,000	0.42%
Ma Jin Long	13,940,711	Beneficial Owner	13,940,711	0.41%
Zhao Yu Hua	4,700,000	Beneficial Owner	4,700,000	0.14%
Mao Er Wan	4,000,000	Beneficial Owner	4,000,000	0.12%
Wong Sin Yue, Cynthia	3,000,000	Beneficial Owner	3,000,000	0.09%
Feng Zhuo Zhi	3,000,000	Beneficial Owner	3,000,000	0.09%
R.K. Goel	3,000,000	Beneficial Owner	3,000,000	0.09%
William Rackets (Note 2)	3,000,000	Beneficial Owner	3,000,000	0.09%
Joe Yamagata	3,000,000	Beneficial Owner	3,000,000	0.09%
Kim Joong Ho (Note 2)	3,000,000	Beneficial Owner	3,000,000	0.09%
Sub-total	499,640,711		499,640,711	

Note 1: The share options were granted under the share option scheme adopted by the Company on 6 February 2003 and the holders thereof are entitled to subscribe for Shares at an exercise price and exercise period as disclosed in the section headed "Share Options" below.

Note 2: Resigned as director of the Company on 13 April 2010

Save as disclosed above, as at 31 March 2010 none of the directors nor the chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

DIRECTORS' REPORT

Share Options

Particulars of the Company's share option scheme and details of movements in the share options under the share option scheme during the year are set out in note 49 to the consolidated financial statements of the Financial Report 2010.

Name	Exercise period	Exercise Price (HK\$)	No. of Options as at 1 April 2009	No. of options granted during the financial year ended 31 Mar 2010	No. of options exercised during the financial year ended 31 Mar 2010	No. of options lapsed during the financial year ended 31 Mar 2010	No. of options outstanding as at 31 Mar 2010
Directors							
Li Xiao Yun	1 Sept 2004 to 8 Jan 2014	0.8	5,000,000	-	-	-	5,000,000
	20 Oct 2010 to 19 Oct 2015	1.5	5,000,000	-	-	-	5,000,000
	3 Aug 2011 to 2 Aug 2014	2.1	-	5,000,000	-	-	5,000,000
Xu Ying	1 Sept 2004 to 8 Jan 2014	0.8	5,000,000	-	-	-	5,000,000
	22 Nov 2004 to 5 Oct 2014	0.71	90,000,000	-	-	-	90,000,000
	3 Aug 2009 to 2 Aug 2019	2.1	-	100,000,000	-	-	100,000,000
Liu Ming Hui	1 Sept 2004 to 8 Jan 2014	0.8	5,000,000	-	-	-	5,000,000
	22 Nov 2004 to 5 Oct 2014	0.71	130,000,000	-	-	-	130,000,000
	3 Aug 2009 to 2 Aug 2019	2.1	-	100,000,000	-	-	100,000,000
Zhu Wei Wei	1 Sept 2004 to 8 Jan 2014	0.8	4,000,000	-	-	-	4,000,000
	20 Mar 2005 to 5 Oct 2014	0.71	6,000,000	-	-	-	6,000,000
	3 Aug 2011 to 2 Aug 2014	2.1	-	4,000,000	-	-	4,000,000
Ma Jin Long	1 Sept 2004 to 8 Jan 2014	0.8	9,240,711	-	3,300,000	-	5,940,711
	3 Aug 2011 to 2 Aug 2014	2.1	-	4,000,000	-	-	4,000,000
Zhao Yu Hua	1 Sept 2004 to 8 Jan 2014	0.8	1,000,000	-	-	-	1,000,000
	1 Jan 2005 to 5 Oct 2014	0.71	700,000	-	-	-	700,000
	3 Aug 2011 to 2 Aug 2014	2.1	-	3,000,000	-	-	3,000,000
Mao Er Wan	1 Sept 2004 to 8 Jan 2014	0.8	1,000,000	-	-	-	1,000,000
	3 Aug 2011 to 2 Aug 2014	2.1	-	3,000,000	-	-	3,000,000
Wong Sin Yue, Cynthia	1 Sept 2004 to 8 Jan 2014	0.8	1,000,000	-	1,000,000	-	-
	1 Jan 2005 to 5 Oct 2014	0.71	700,000	-	700,000	-	-
	3 Aug 2011 to 2 Aug 2014	2.1	-	3,000,000	-	-	3,000,000
Feng Zhuo Zhi	3 Aug 2011 to 2 Aug 2014	2.1	-	3,000,000	-	-	3,000,000
R.K. Goel	3 Aug 2011 to 2 Aug 2014	2.1	-	3,000,000	-	-	3,000,000
William Rackets	3 Aug 2011 to 2 Aug 2014	2.1	-	3,000,000	-	-	3,000,000
Joe Yamagata	3 Aug 2011 to 2 Aug 2014	2.1	-	3,000,000	-	-	3,000,000
Kim Joong Ho	3 Aug 2011 to 2 Aug 2014	2.1	-	3,000,000	-	-	3,000,000
Sub-total			263,640,711	237,000,000	5,000,000	-	495,640,711
Other Employees							
	1 Sept 2004 to 8 Jan 2014	0.8	47,130,000	-	10,250,000	-	36,880,000
	20 Mar 2005 to 5 Oct 2014	0.71	88,160,000	-	3,160,000	-	85,000,000
	20 Oct 2010 to 19 Oct 2015	1.5	151,800,000	-	-	-	151,800,000
	27 Jan 2011 to 26 Jan 2016	1.52	6,500,000	-	-	-	6,500,000
	19 Sept 2008 to 22 Aug 2017	2.32	3,000,000	-	-	-	3,000,000
	3 Sept 2009 to 6 Aug 2018	1.77	1,500,000	-	-	-	1,500,000
	3 Sept 2010 to 6 Aug 2018	1.77	1,500,000	-	-	-	1,500,000
	3 Aug 2009 to 2 Aug 2019	2.1	-	100,000,000	-	-	100,000,000
	3 Aug 2012 to 2 Aug 2014	2.1	-	53,394,000	-	-	53,394,000
	14 Oct 2009 to 16 Sept 2014	2.6	-	5,000,000	-	-	5,000,000
	17 Sept 2012 to 16 Sept 2014	2.6	-	5,000,000	-	-	5,000,000
Sub-total			299,590,000	163,394,000	13,410,000	-	449,574,000
Total			563,230,711	400,394,000	18,410,000	-	945,214,711

Substantial Shareholders

As at 31 March 2010 so far as was known to the directors and the chief executives of the Company, the following persons (not being directors or chief executive of the Company), had or was deemed to have, an interest or short position in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Name of shareholder	Notes	Nature of interest	Total	Approximate percentage or attributable percentage of shareholdings (%)
Ms. Xu Xau Lan	1	Deemed interest	626,624,000 (L)	18.64
Hai Xia	2	Beneficial owner	227,500,003 (L)	6.77
China Petroleum & Chemical Corporation		Beneficial owner	210,000,000 (L)	6.24
GAIL (India) Limited		Beneficial owner	210,000,000 (L)	6.24
Oman Oil Company, S.A.O.C.		Beneficial owner	237,567,060 (L)	7.07
L: Long position				

Notes:

- (1) Ms. Xu Xau Lan is deemed to be interested in the shares held by her spouse, Mr. Liu, the managing director of the Company.
- (2) On 9 July 2010, the Company was notified by Mr. Liu and Hai Xia that the sale and purchase agreement dated 8 March 2005 entered into between Hai Xia and Mr. Liu was lapsed.

Save as disclosed herein, as at 31 March 2010 the directors and the chief executives of the Company were not aware of any person (other than the directors and the chief executive of the Company) who had, or was deemed to have, interest or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who are, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

DIRECTORS' REPORT

Directors' Interests in Contracts of Significance

Other than those set out in note 50 to the consolidated financial statements, no contract of significances, to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Major Customers and Suppliers

The five largest customers of the Group accounted for less than 30% of the Group's revenue. The five largest supplies of the Group accounted for less than 30% of the Group's total purchase.

At no time during the year did any director, any associate of a director, or any shareholder, which to the knowledge of the directors owned more than 5% of the Company's share capital, have any beneficial interests in the Group's five largest suppliers.

Purchase, Sale or Redemption of Listed Securities

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

Emolument Policy

The emolument policy of the senior management of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Company's results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme is set out in note 49 to the consolidated financial statements of the Financial Report 2010.

Pre-emptive Rights

There are no provision 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.

Appointment of Independent Non-executive Directors

The Company has received from each of the independent non-executive director, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

Sufficiency of Public Float

The Company has maintained a sufficient public float throughout the year ended 31 March 2010

Post Balance Sheet Events

Details of the significant events occurring after the balance sheet date are set out in note 52 to the consolidated financial statements of the Financial Report 2010.

Auditor

A resolution will be submitted to the annual general meeting to re-appoint, Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

Liu Ming Hui

Managing Director

7 July 2010

CORPORATE INFORMATION

Board of Directors

Executive Directors

Li Xiao Yun (*Chairman*)
Xu Ying (*Vice-Chairman*)
Liu Ming Hui (*Managing Director*)
Zhu Wei Wei
Ma Jin Long

Non-Executive Directors

Feng Zhuo Zhi
Joe Yamagata
R. K. Goel
Moon Duk Kyu
Mulham Al Jarf

Independent Non-Executive Directors

Zhao Yu Hua
Mao Er Wan
Wong Sin Yue Cynthia

Company Secretary

Yang Yan Tung Doris

Auditors

Deloitte Touche Tohmatsu
Certified Public Accountants

Principal Bankers

China Development Bank
Industrial and Commercial Bank of China
Agricultural Bank of China
Bank of China
Bank of Communications
China Construction Bank
Hang Seng Bank
Dah Sing Bank

Head Office and Principal Place of Business in Hong Kong

Room 1601
16th Floor
AXA Centre
151 Gloucester Road
Wan Chai
Hong Kong

Registered Office

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal Share Registrar and Transfer Office

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM 08
Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
17M Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

Stock Code

384

Website

www.chinagasholdings.com.hk

Deloitte.

德勤

TO THE SHAREHOLDERS OF CHINA GAS HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of China Gas Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 3 to 138, which comprise the consolidated statement of financial position as at 31 March 2010, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated 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 the consolidated 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.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act 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 consolidated financial statements are free from material misstatement.

列位股東
致中國燃氣控股有限公司
(於百慕達註冊成立之有限公司)

本核數師行已完成審核第3至第138頁所載中國燃氣控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，此綜合財務報表包括於二零一零年三月三十一日的綜合財務狀況表、截至該日止年度之綜合全面收入報表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其他附註解釋。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露規定編製及真實而公平地列報該等綜合財務報表。這責任包括設計、實施及維護與編製及真實而公平地列報綜合財務報表相關的內部控制，以使財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；選擇和應用適當的會計政策；及按情況下作出合理的會計估計。

核數師的責任

本行的責任是根據本行的審核對綜合財務報表作出意見，並根據百慕達公司法第90條只向作為法人團體的股東報告。除此以外，本行的報告書不可用作其他用途。本行概不會就本報告書的內容，對任何其他人士負責或承擔法律責任。本行已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求本行遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the consolidated 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 consolidated 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 consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2010 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.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
7 July 2010

審核涉及執行程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。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綜合財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

本行相信，本行所獲得的審核憑證是充足和適當地為本行的審核意見提供基礎。

意見

本核數師行認為綜合財務報表均已根據香港財務報告準則真實及公平地反映貴集團於二零一零年三月三十一日之財務狀況及貴集團截至該日止年度之溢利和現金流量，並已按照香港公司條例之披露資料規定而妥善編製。

德勤•關黃陳方會計師行
執業會計師
香港
二零一零年七月七日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收入報表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

		Notes 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Revenue	收入	7	10,211,959	6,323,823
Cost of sales	銷售成本		(8,095,667)	(4,894,474)
Gross profit	毛利		2,116,292	1,429,349
Other income	其他收入	8	273,885	225,756
Other gains and losses	其他收益及虧損	9	295,805	(490,131)
Selling and distribution costs	銷售及分銷成本		(445,012)	(330,414)
Administrative expenses	行政開支		(606,658)	(468,475)
Finance costs	財務費用	10	(522,677)	(409,800)
Discounts on acquisition of an associate, a jointly controlled entity and businesses	收購聯營公司、共同控制實體及業務之折讓	11	176,387	236,262
Share of results of associates	應佔聯營公司之業績	20	(114,402)	12,884
Profit before taxation	除稅前溢利		1,173,620	205,431
Taxation	稅項	12	(158,119)	(71,472)
Profit for the year	本年度溢利	13	1,015,501	133,959
Other comprehensive income	其他全面收入			
Increase in fair value on available-for-sale investments	可供出售之投資公平值增加		7,958	8,452
Exchange difference arising on translation	換算產生之匯兌差額		1,240	12,993
Other comprehensive income for the year	本年度其他全面收入		9,198	21,445
Total comprehensive income for the year	本年度全面收入總額		1,024,699	155,404
Profit for the year attributable to:	年度溢利歸屬：			
Owners of the Company	本公司擁有人		875,636	103,679
Minority interests	少數股東權益		139,865	30,280
			1,015,501	133,959
Total comprehensive income attributable to:	全面收入總額歸屬：			
Owners of the Company	本公司擁有人		884,834	113,994
Minority interests	少數股東權益		139,865	41,410
			1,024,699	155,404
Earnings per share	每股盈利	16		
Basic	基本		HK26.19 cents 港仙	HK3.11 cents港仙
Diluted	攤薄		HK19.82 cents 港仙	HK2.93 cents港仙

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2010 於二零一零年三月三十一日

		Notes	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (restated) (重列)
		附註		
Non-current assets	非流動資產			
Investment properties	投資物業	17	343,158	295,127
Property, plant and equipment	物業、廠房及設備	18	11,064,337	9,132,277
Prepaid lease payments	預付租賃款項	19	957,655	869,075
Interests in associates	於聯營公司之權益	20	957,709	1,000,966
Available-for-sale investments	可供出售之投資	22	82,838	41,995
Derivative financial instrument	衍生金融工具	29	9,759	–
Goodwill	商譽	23	900,577	684,467
Other intangible assets	其他無形資產	24	1,254,675	320,297
Deposits for acquisition of property, plant and equipment	收購物業、廠房及設備之按金		254,751	276,197
Prepayment for acquisition of a subsidiary and an associate	收購附屬公司及聯營公司之預付款項		–	63,218
Amounts due from associates	應收聯營公司款項	30	–	68,966
Deferred tax assets	遞延稅項資產	39	88,155	56,890
			15,913,614	12,809,475
Current assets	流動資產			
Inventories	存貨	26	564,163	540,898
Amounts due from customers for contract work	應收客戶之合約工程款項	27	103,265	219,993
Trade and other receivables	貿易應收賬款及其他應收賬項	28	1,871,061	1,285,698
Derivative financial instruments	衍生金融工具	29	2,909	1,261
Amounts due from associates	應收聯營公司款項	30	138,236	243,250
Prepaid lease payments	預付租賃款項	19	27,459	16,173
Held-for-trading investments	持作買賣投資	31	15,468	11,544
Pledged bank deposits	已抵押銀行存款	32	489,103	847,759
Bank balances and cash	銀行結存及現金	32	3,872,316	2,048,698
			7,083,980	5,215,274
Current liabilities	流動負債			
Trade and other payables	貿易應付賬款及其他應付賬項	33	3,182,020	2,603,313
Derivative financial instruments	衍生金融工具	29	–	782
Amounts due to customers for contract work	應付客戶之合約工程款項	27	239,316	121,743
Taxation	稅項		146,162	51,733
Amounts due to associates	應付聯營公司款項	30	23,867	–
Bank and other borrowings – due within one year	銀行及其他借貸 – 於一年內到期	34	5,294,761	3,103,855
			8,886,126	5,881,426
Net current liabilities	流動負債淨額		(1,802,146)	(666,152)
Total assets less current liabilities	總資產減流動負債		14,111,468	12,143,323

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2010 於二零一零年三月三十一日

		Notes 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (restated) (重列)
Equity	權益			
Share capital	股本	35	33,610	33,336
Reserves	儲備		4,089,412	3,189,934
Equity attributable to owners of the Company	歸屬本公司擁有人之權益		4,123,022	3,223,270
Minority interests	少數股東權益		1,107,215	758,858
Total equity	權益總額		5,230,237	3,982,128
Non-current liabilities	非流動負債			
Derivative financial instruments	衍生金融工具	29	-	360,087
Amount due to a minority shareholder of a subsidiary	應付一家附屬公司一名少數股東款項	37	356,591	356,591
Bank and other borrowings – due after one year	銀行及其他借貸 – 於一年後到期	34	8,021,345	7,194,067
Convertible bonds	可換股債券	38	-	14,823
Deferred taxation	遞延稅項	39	503,295	235,627
			8,881,231	8,161,195
			14,111,468	12,143,323

The consolidated financial statements on pages 3 to 138 were approved and authorised for issue by the Board of Directors on 7 July 2010 and are signed on its behalf by:

第3頁至第138頁之綜合財務報表已由董事會於二零一零年七月七日批准及授權發行並由下列董事代表簽署：

XU YING
徐鷹
DIRECTOR
董事

LIU MING HUI
劉明輝
DIRECTOR
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

Attributable to owners of the Company 歸屬本公司股東

		Share capital	Employee share-based		Translation reserve	Investment revaluation reserve	Properties revaluation reserve	Special reserve	Statutory funds	Accumulated profits	Total	Minority interests	Total
			Share premium	compensation reserve									
		股本	股份溢價	僱員股份報酬儲備	匯兌儲備	投資重估儲備	物業重估儲備	特別儲備	法定基金	累計溢利	總計	少數股東權益	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
					(note 36) (附註36)	(note 36) (附註36)		(note i) (附註i)	(note ii) (附註ii)				
At 1 April 2008	於二零零八年四月一日	33,314	1,949,866	49,333	283,690	(8,452)	1,601	1,602	77,694	751,924	3,140,572	545,435	3,686,007
Other comprehensive income for the year	本年度其他全面收入	-	-	-	1,863	8,452	-	-	-	-	10,315	11,130	21,445
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	103,679	103,679	30,280	133,959
Total comprehensive income for the year	本年度全面收入總額	-	-	-	1,863	8,452	-	-	-	103,679	113,994	41,410	155,404
Recognition of equity-settled share based payments	確認按股本結付之股份形式付款	-	-	6,981	-	-	-	-	-	-	6,981	-	6,981
Exercise of share options	行使購股權	22	1,698	-	-	-	-	-	-	-	1,720	-	1,720
Acquisitions of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	-	-	204,899	204,899
Capital contribution from minority shareholders of subsidiaries	附屬公司少數股東出資	-	-	-	-	-	-	-	-	-	-	14,175	14,175
Dividends paid by subsidiaries to its minority shareholders	附屬公司派付少數股東之股息	-	-	-	-	-	-	-	-	-	-	(47,061)	(47,061)
Dividends paid	已付股息	-	-	-	-	-	-	-	-	(39,997)	(39,997)	-	(39,997)
Transfer	轉撥	-	-	-	-	-	-	-	34,216	(34,216)	-	-	-
At 31 March 2009, as restated	於二零零九年三月三十一日 (重列)	33,336	1,951,564	56,314	285,553	-	1,601	1,602	111,910	781,390	3,223,270	758,858	3,982,128

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

Attributable to owners of the Company
歸屬本公司股東

		Share capital	Employee share-based		Translation reserve	Investment revaluation reserve	Properties revaluation reserve	Special reserve	Statutory funds	Accumulated profits	Total	Minority interests	Total
			Share premium	reserve									
		股本	股份溢價	僱員股份報酬儲備	匯兌儲備	投資重估儲備	物業重估儲備	特別儲備	法定基金	累計溢利	總計	權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元	千港元	千港元	千港元	千港元
					(note 36)	(note 36)		(note i)	(note ii)				
					(附註36)	(附註36)		(附註i)	(附註ii)				
At 1 April 2009, as restated	於二零零九年四月一日(重列)	33,336	1,951,564	56,314	285,553	-	1,601	1,602	111,910	781,390	3,223,270	758,858	3,982,128
Other comprehensive income for the year	本年度其他全面收入	-	-	-	1,240	7,958	-	-	-	-	9,198	-	9,198
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	875,636	875,636	139,865	1,015,501
Total comprehensive income for the year	本年度全面收入總額	-	-	-	1,240	7,958	-	-	-	875,636	884,834	139,865	1,024,699
Recognition of equity-settled share based payments	確認按股本結付之股份形式付款	-	-	32,870	-	-	-	-	-	-	32,870	-	32,870
Exercise of share options	行使購股權	184	14,196	-	-	-	-	-	-	-	14,380	-	14,380
Issue of new ordinary shares	發行新普通股	90	14,254	-	-	-	-	-	-	-	14,344	-	14,344
Acquisitions of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	-	-	332,935	332,935
Acquisitions of additional interest of subsidiaries	收購附屬公司額外權益	-	-	-	-	-	-	-	-	-	-	(5,284)	(5,284)
Transfer to accumulated profits upon disposal of jointly controlled entities	於出售共同控制實體時撥往累計溢利	-	-	-	(9,066)	-	-	-	-	9,066	-	-	-
Transfer to accumulated profits upon disposal of a subsidiary	於出售附屬公司時撥往累計溢利	-	-	-	(62)	-	-	-	-	62	-	-	-
Disposal of a subsidiary (note 43)	出售附屬公司(附註43)	-	-	-	-	-	-	-	-	-	-	(1,373)	(1,373)
Capital contribution from minority shareholders of subsidiaries	附屬公司少數股東出資	-	-	-	-	-	-	-	-	-	-	9,280	9,280
Commitment to acquire minority interest (note iii)	收購少數股東權益之責任(附註iii)	-	-	-	-	-	-	-	-	-	-	(94,991)	(94,991)
Dividends paid by subsidiaries to its minority shareholders	附屬公司派付少數股東之股息	-	-	-	-	-	-	-	-	(46,676)	(46,676)	(32,075)	(32,075)
Dividends paid	已付股息	-	-	-	-	-	-	-	-	(46,676)	(46,676)	-	(46,676)
Transfer	轉撥	-	-	-	-	-	-	-	106,217	(106,217)	-	-	-
At 31 March 2010	於二零一零年三月三十一日	33,610	1,980,014	89,184	277,665	7,958	1,601	1,602	218,127	1,513,261	4,123,022	1,107,215	5,230,237

Note: (i) The special reserve of the Group represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation prior to the listing of the Company's shares in 1995.

(ii) In accordance with statutory requirements in the People's Republic of China, other than Hong Kong (the "PRC"), subsidiaries registered in the PRC are required to transfer a certain percentage of the annual net income from accumulated profits to the statutory funds, until the statutory funds are accumulated up to 50% of their registered capital. Under normal circumstances, the statutory funds are not allowed to be distributed to shareholders as dividends. The statutory funds shall only be used for making good losses, capitalisation into paid-in capital and expansion of its productions and operations.

(iii) During the year, the Group entered a sales and purchase agreement with the minority shareholder of a subsidiary in the PRC in respect of the acquisition of 12.5% equity interest in the subsidiary of the Group, Zhejiang Zhongyou Hua Dian Energy Co. Ltd. ("Zhongyou Hua Dian") for a consideration of RMB82,642,000 (approximate to HK\$94,991,000). The consideration has been paid before end of the reporting period. The transaction has not been completed at the end of the reporting period.

附註：本集團之特別儲備乃指本公司所收購附屬公司之股份面值與本公司股份於一九九五年上市前進行集團重組期間收購附屬公司而發行之股份之面值兩者之差額。

根據中華人民共和國(「中國」，不包括香港)的法定規定，於中國註冊的附屬公司須從累計溢利將其年度淨收入某個百分比撥往法定基金，直至法定基金達致其註冊資本的50%為止。在一般情況下，法定基金不得分派予股東作為股息。法定基金僅可用作彌補虧損、資本化至繳入資本及於擴展生產及營運。

年內，本集團與中國一家附屬公司的少數股東訂立買賣協議，內容關於按代價人民幣82,642,000元(約94,991,000港元)收購本集團附屬公司浙江中油華電能源有限公司(「中油華電」)12.5%股權。代價已於報告期末前支付，惟有關交易於報告期末尚未完成。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

	Notes 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (restated) (重列)
OPERATING ACTIVITIES			
Profit before taxation	經營業務 除稅前溢利	1,173,620	205,431
Adjustments for:	經以下調整：		
Change in fair value of investment properties	投資物業之公平值變動	(44,645)	(5,726)
Impairment loss recognised on available-for-sale investments	確認可供出售之投資之減值虧損	–	14,947
Impairment loss on amounts due from customers for contract work	應收客戶之合約工程款項減值虧損	51,418	36,864
Allowance for trade receivables	貿易應收賬款撥備	75,112	53,883
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	474,668	333,914
Release of prepaid lease payments	發還預付租賃款項	27,987	20,614
Amortisation of intangible assets	無形資產攤銷	20,019	12,685
Change in fair value of held-for-trading investments	持有買賣投資之公平值變動	(11,798)	–
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	4,253	27,564
Loss on disposal of jointly controlled entities	出售共同控制實體虧損	5,814	–
Gain on disposal of a subsidiary	出售附屬公司收益	(141)	–
Loss on disposal of an associate	出售聯營公司虧損	1,190	–
Interest expense	利息開支	522,677	409,800
Share of results of associates	應佔聯營公司業績	114,402	(12,884)
Discounts on acquisition of an associate, a jointly controlled entity and businesses	收購聯營公司、共同控制實體及業務之折讓	(176,387)	(236,262)
Share-based payments	以股份形式付款	32,870	6,981
Interest income	利息收入	(34,891)	(59,290)
Change in fair value of derivative financial instruments	衍生金融工具之公平值變動	(372,755)	366,320
Net exchange gain	匯兌收益淨額	–	(63,366)
Operating cash flows before movements in working capital	營運資金變動前之經營業務現金流	1,863,413	1,111,475
Decrease in inventories	存貨減少	4,630	55,114
Decrease in amounts due from customers for contract work	應收客戶之合約工程款項減少	61,941	26,668
(Increase) decrease in trade and other receivables	貿易應收賬款及其他應收賬項(增加)減少	(426,197)	194,450
Decrease in held-for-trading investments	持有買賣投資減少	7,874	23,843
Decrease in trade and other payables	貿易應付賬款及其他應付賬項減少	(264,130)	(454,357)
Increase in amount due to customers for contract work	應付客戶之合約工程款項增加	117,573	105,720
(Decrease) increase in amount due to minority shareholders of subsidiaries	應付附屬公司少數股東款項(減少)增加	(17,823)	22,292
Increase in amount due to shareholders of jointly controlled entities	應付共同控制實體股東款項增加	3,105	–
Cash from operations	經營業務產生現金	1,350,386	1,085,205
PRC Enterprise Income Tax paid	已付中國企業所得稅	(98,556)	(62,553)
NET CASH GENERATED FROM OPERATING ACTIVITIES	經營業務所得現金淨額	1,251,830	1,022,652

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

		Notes 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (restated) (重列)
INVESTING ACTIVITIES		投資活動		
Interest received	已收利息		34,891	59,290
Repayment of loan receivable	償還應收貸款		-	15,000
Decrease (increase) in amounts due from associates	應收聯營公司款項減少(增加)		173,980	(58,915)
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備已付按金		(112,886)	(277,606)
Decrease in pledged bank deposits	已抵押銀行存款減少		358,656	33,530
Addition of property, plant and equipment	添置物業、廠房及設備		(1,128,699)	(1,423,094)
Addition of prepaid lease payments	添置預付租賃款項		(36,118)	(40,075)
Addition of available-for-sale investments	添置可供出售投資		(43,736)	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		6,169	1,536
Acquisition of assets through purchase of subsidiaries, net of cash and cash equivalents acquired	透過購入附屬公司收購資產，扣除所得現金及現金等值項目	40	(8,317)	(28,358)
Acquisition additional interest in a jointly controlled entity, net of cash and cash equivalents acquired	收購共同控制實體額外權益，扣除所得現金及現金等值項目	41(A)	(7,438)	-
Acquisition of jointly controlled entities, net of cash and cash equivalents acquired	收購共同控制實體，扣除所得現金及現金等值項目	41(B)	-	(20,042)
Acquisition of businesses, net of cash and cash equivalents acquired	收購業務，扣除所得現金及現金等值項目	42	(656,434)	(241,485)
Disposal of jointly controlled entities, net of cash and cash equivalents received	出售共同控制實體，扣除所獲現金及現金等值項目	44	32,519	-
Disposal of an associate	出售聯營公司	20(d)	330	-
Disposal of a subsidiary	出售附屬公司	43	(1,180)	-
Acquisition of interests in associates	收購聯營公司之權益		(34,771)	(3,301)
Advance to minority shareholders of subsidiaries	向附屬公司少數股東貸款		(141,895)	(23,843)
Repayment from (advance to) shareholders of jointly controlled entities	獲(向)共同控制實體股東還款(貸款)		41,667	(22,517)
Settlement of deferred consideration in respect of prior year's acquisition of subsidiaries	結清去年收購附屬公司之責任		(48,068)	-
Capital injection into a jointly controlled entity	向共同控制實體之注資		(23,449)	-
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額		(1,594,779)	(2,029,880)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2010 截至二零一零年三月三十一日止年度

	Notes 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (restated) (重列)
FINANCING ACTIVITIES	融資活動		
Interest paid	已付利息	(473,432)	(360,066)
Proceeds from issue of ordinary shares	發行普通股之所得款項	14,380	1,720
Dividends paid	已付股息	(46,676)	(39,997)
New bank and other borrowings raised	新籌得銀行及其他借貸	6,915,685	3,894,133
Repayments of bank and other borrowings	償還銀行及其他借貸	(4,147,562)	(2,015,180)
(Repayment to) advance from shareholders of jointly controlled entities	(向)共同控制實體(還款)貸款	(12,728)	34,255
Advance from minority shareholders of subsidiaries	附屬公司少數股東貸款	2,870	18,640
Advance from associates	聯營公司貸款	23,867	-
Advance payment for acquisition of additional interest in a subsidiary	收購附屬公司額外權益之預付款項	(94,991)	-
Capital contribution from minority shareholders of subsidiaries	附屬公司少數股東出資	9,280	14,175
Dividend paid by subsidiaries to its minority shareholders	附屬公司派付少數股東之股息	(32,075)	(47,061)
NET CASH GENERATED FROM FINANCING ACTIVITIES	融資活動所得現金淨額	2,158,618	1,500,619
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目之增加淨額	1,815,669	493,391
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初之現金及現金等值項目	2,048,698	1,510,044
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	7,949	45,263
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終之現金及現金等值項目	3,872,316	2,048,698
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘分析		
Bank balances and cash	銀行結餘及現金	3,872,316	2,048,698

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綜合財務報表附註

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1. General

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office and principal place of business are disclosed in the section headed "Corporate Information" of the Group's annual report.

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out note 53.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$") and the functional currency of the Company and its subsidiaries is Renminbi ("RMB"). As the Company is a listed entity in Hong Kong, the directors of the Company consider that it is appropriate to present the consolidated financial statements in HK\$.

2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs")

In the current year, the Group has applied the following new and revised Standards, Amendments and Interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

HKAS 1 (Revised 2007)	Presentation of financial statements
HKAS 23 (Revised 2007)	Borrowing costs
HKAS 32 & 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation
HKFRS 1 & HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or associate
HKFRS 2 (Amendment)	Vesting conditions and cancellations
HKFRS 7 (Amendment)	Improving disclosures about financial instruments
HKFRS 8	Operating segments
HK(IFRIC) – INT 9 & HKAS 39 (Amendments)	Embedded derivatives

1. 一般資料

本公司於百慕達註冊成立為一間獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）主板上市。本公司之註冊辦事處及主要營業地點於本集團年報「公司資料」一節內披露。

本公司為一間投資控股公司。本公司主要附屬公司之業務載於附註53。

綜合財務報表乃以港元（「港元」）列示，而本公司及其附屬公司之功能貨幣則為人民幣（「人民幣」）。由於本公司為香港上市之實體，本公司董事認為以港元呈列綜合財務報表乃屬恰當之舉。

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已採納以下由香港會計師公會（「香港會計師公會」）頒佈之新訂及經修訂準則、修訂及詮釋（「新訂及經修訂香港財務報告準則」）。

香港會計準則第1號 (二零零七年經修訂)	財務報表的呈列
香港會計準則第23號 (二零零七年經修訂)	借貸成本
香港會計準則第32號 及第1號(修訂)	可沽售金融工具及於清盤時產生的責任
香港財務報告準則第1號 及香港會計準則第27號(修訂)	於附屬公司、共同控制實體或聯營公司的投資成本
香港財務報告準則第2號(修訂)	歸屬條件及註銷
香港財務報告準則第7號(修訂)	改善金融工具的披露
香港財務報告準則第8號	經營分部
香港國際財務報告詮釋委員會－詮釋9及香港會計準則第39號(修訂)	附帶衍生工具

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2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

HK(IFRIC) – INT 13	Customer loyalty programmes
HK(IFRIC) – INT 15	Agreements for the construction of real estate
HK(IFRIC) – INT 16	Hedges of a net investment in a foreign operation
HK(IFRIC) – INT 18	Transfers of assets from customers
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 in relation to the amendment to paragraph 80 of HKAS 39

Except as described below, the adoption of the new and revised HKFRSs has had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

HKAS 1 (Revised 2007) Presentation of Financial Statements

HKAS 1 (Revised 2007) has introduced terminology changes (including revised titles for the consolidated financial statements) and changes in the format and content of the consolidated financial statements.

HKFRS 8 Operating Segments

HKFRS 8 is a disclosure standard that has not resulted in a redesignation of the Group's reportable segments as compared with the primary reportable segments determined in accordance with HKAS 14 (see note 7).

Amendments to HKFRS 7 – Financial Instruments: Disclosures

The amendments to HKFRS 7 expand the disclosures required in relation to fair value measurements in respect of financial instruments which are measured at fair value. The Group has not provided comparative information for the expanded disclosures in accordance with the transitional provision set out in the amendments.

2. 採納新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

香港國際財務報告詮釋委員會 – 詮釋13	客戶忠誠計劃
香港國際財務報告詮釋委員會 – 詮釋15	就建造房地產之協議
香港國際財務報告詮釋委員會 – 詮釋16	對海外業務之淨投資進行對沖
香港國際財務報告詮釋委員會 – 詮釋18	轉讓客戶資產
香港財務報告準則 (修訂)	對於二零零八年頒佈的香港財務報告準則的改進，惟對香港財務報告準則第5號的修訂於二零零九年七月一日或之後開始的年度期間生效除外
香港財務報告準則 (修訂)	對於二零零九年頒佈的香港財務報告準則的改進，內容關於對香港會計準則第39號第80段的修訂

除下述者外，採納新訂及經修訂香港財務報告準則對本集團於本會計期間或過往會計期間之綜合財務報表並無任何重大影響。

香港會計準則第1號(二零零七年經修訂)財務報表的呈列

香港會計準則第1號(二零零七年經修訂)引入術語變動(包括經修訂之綜合財務報表標題)及綜合財務報表格式及內容變動。

香港財務報告準則第8號經營分部

香港財務報告準則第8號為一項披露準則，相比根據香港會計準則第14號釐定之主要可報告分類，並無導致本集團須重設其可報告分類(見附註7)。

對香港財務報告準則第7號 – 金融工具：披露之修訂

香港財務報告準則第7號之修訂要求以公平值計量之金融工具作出有關公平值計量之額外披露。本集團並無根據該等修訂所載之過渡條文就擴大披露規定提供比較資料。

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2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

The Group has not early applied the following new and revised Standards, Amendments or Interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of improvements to HKFRSs 2008 ¹
HKFRSs (Amendments)	Improvements to HKFRSs 2009 ²
HKFRSs (Amendments)	Improvements to HKFRSs 2010 ³
HKAS 24 (Revised)	Related party disclosures ⁷
HKAS 27 (Revised)	Consolidated and separate financial statements ¹
HKAS 32 (Amendment)	Classification of rights issues ⁵
HKAS 39 (Amendment)	Eligible hedged items ¹
HKFRS 1 (Amendment)	Additional exemptions for first-time adopters ⁴
HKFRS 1 (Amendment)	Limited exemption from comparative HKFRS 7 disclosures for first-time adopters ⁶
HKFRS 2 (Amendment)	Group cash-settled share-based payment transactions ⁴
HKFRS 3 (Revised)	Business combinations ¹
HKFRS 9	Financial instruments ⁸
HK(IFRIC) – INT 14 (Amendment)	Prepayments of a minimum funding requirement ⁷
HK(IFRIC) – INT 17	Distributions of non-cash assets to owners ¹
HK(IFRIC) – INT 19	Extinguishing financial liabilities with equity instrument ⁶

2. 採納新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

本集團並無提早採納以下已頒佈但未生效的新訂及經修訂準則、修訂或詮釋。

香港財務報告準則 (修訂)	對香港財務報告準則第5號的修訂，作為對二零零八年香港財務報告準則的改進一部分 ¹
香港財務報告準則 (修訂)	對二零零九年香港財務報告準則的改進 ²
香港財務報告準則 (修訂)	對二零一零年香港財務報告準則的改進 ³
香港會計準則第24號 (經修訂)	關連方交易 ⁷
香港會計準則第27號 (經修訂)	綜合及個別財務報表 ¹
香港會計準則第32號 (修訂)	供股分類 ⁵
香港會計準則第39號 (修訂)	合資格對沖項目 ¹
香港財務報告準則第1號 (修訂)	首次採納者的額外豁免 ⁴
香港財務報告準則第1號 (修訂)	首次採納者有關香港財務報告準則第7號比較披露資料之有限豁免 ⁶
香港財務報告準則第2號 (修訂)	集團現金結算以股份為基礎付款之交易 ⁴
香港財務報告準則第3號 (經修訂)	業務合併 ¹
香港財務報告準則第9號	金融工具 ⁸
香港國際財務報告詮釋委員會 – 詮釋14 (修訂)	預付最低資金要求 ⁷
香港國際財務報告詮釋委員會 – 詮釋17	向擁有人分派非現金資產 ¹
香港國際財務報告詮釋委員會 – 詮釋19	終絕附有權益性工具之金融負債 ⁶

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2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

- 1 Effective for annual periods beginning on or after 1 July 2009.
- 2 Amendments that are effective for annual periods beginning on or after 1 July 2009 and 1 January 2010, as appropriate.
- 3 Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate.
- 4 Effective for annual periods beginning on or after 1 January 2010.
- 5 Effective for annual periods beginning on or after 1 February 2010.
- 6 Effective for annual periods beginning on or after 1 July 2010.
- 7 Effective for annual periods beginning on or after 1 January 2011.
- 8 Effective for annual periods beginning on or after 1 January 2013.

The application of HKFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition date is on or after 1 April 2010. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary.

HKFRS 9 “Financial Instruments” introduces new requirements for the classification and measurement of financial assets and will be effective from 1 April 2013, with earlier application permitted. The Standard requires all recognised financial assets that are within the scope of HKAS 39 “Financial Instruments: Recognition and Measurement” to be measured at either amortised cost or fair value. Specially, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 will affect the classification and measurement of the Group's financial assets.

2. 採納新訂及經修訂香港財務報告準則 (「香港財務報告準則」)(續)

- 1 由二零零九年七月一日或之後開始之年度期間生效
- 2 修訂由二零零九年七月一日及二零一零年一月一日(如適用)或之後開始之年度期間生效
- 3 由二零一零年七月一日及二零一一年一月一日(如適用)或之後開始之年度期間生效
- 4 由二零一零年一月一日或之後開始之年度期間生效
- 5 由二零一零年二月一日或之後開始之年度期間生效
- 6 由二零一零年七月一日或之後開始之年度期間生效
- 7 由二零一一年一月一日或之後開始之年度期間生效
- 8 由二零一三年一月一日或之後開始之年度期間生效

採用香港財務報告準則第3號(經修訂)可能影響收購日期為二零一零年四月一日或之後本集團對業務合併之會計處理。香港會計準則第27號(經修訂)將影響本集團於附屬公司擁有權改變之會計處理。

香港財務報告準則第9號「金融工具」引進有關金融工具分類及計量之新規定，並由二零一三年四月一日起生效(可提前應用)。該準則規定，屬香港會計準則第39號「金融工具：確認及計量」範圍以內之所有已確認金融資產均須按攤銷成本或公平值計量。特別是，(i) 目的為集合合約現金流量之業務模式內所持有；及(ii) 合約現金流量僅為本金及尚未償還本金之利息付款之債務投資一般按攤銷成本計量。所有其他債務投資及權益性投資均按公平值計量。採用香港財務報告準則第9號將影響本集團金融工具之分類及計量。

2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Continued)

In addition, as part of “Improvements to HKFRSs 2009”, HKAS 17 “Leases” has been amended in relation to the classification of leasehold land. The amendments will be effective from 1 April 2010, with earlier application permitted. Before the amendments to HKAS 17, lessees were required to classify leasehold land as operating leases and presented as prepaid lease payments in the consolidated statement of financial position. The amendments have removed such a requirement. Instead, the amendments require the classification of leasehold land to be based on the general principles set out in HKAS 17, that are based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee. The application of the amendments to HKAS 17 might affect the classification and measurement of the Group’s leasehold land.

The directors of the Company anticipate that the application of the other new or revised Standards, Amendments or Interpretations will have no material impact on the consolidated financial statements.

3. Significant Accounting Policies

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

2. 採納新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

此外，作為「對二零零九年頒佈的香港財務報告準則的改進」的一部分，已對香港會計準則第17號「租賃」有關土地租賃之分類要求作出修訂。該修訂於二零一零年四月一日生效（可提前應用）。於修訂香港會計準則第17號前，承租人須將賃租土地歸類為經營租賃，在綜合財務狀況表內列為預付租賃款項。修訂已經刪除有關要求。修訂後，租賃土地將按照香港會計準則第17號之一般原則被歸類，即根據與租賃資產所有權相關之風險及報酬歸於出租人或承租人之程度釐定。採用對香港會計準則第17號之修訂可能影響本集團之租賃土地之分類及計量。

本公司董事預計，採用其他新訂或經修訂準則、修訂或詮釋將不會對綜合財務報表造成重大影響。

3. 重大會計政策

除投資物業及若干金融工具按公平值計量（參見下文會計政策的解釋）外，綜合財務報表乃按歷史成本基準編製。

綜合財務報表乃根據香港會計師公會所頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例所規定之適用披露事項。

綜合基準

綜合財務報表包括本公司及受本公司控制實體（其附屬公司）之財務報表。當本公司有權規管實體之財務及經營政策以從其業務獲取利益時，則屬擁有控制權。

年內收購或出售之附屬公司之業績由收購生效日期起及於截至出售生效日期止（以適用者為準）計入綜合全面收入報表。

如有需要，本集團會對附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司所採用者保持一致。

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3. Significant Accounting Policies (Continued)

Basis of consolidation (Continued)

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

Acquisition of additional interest in a subsidiary

On acquisition of additional interest in a subsidiary, goodwill is calculated as the difference between the consideration paid for the additional interest and the carrying amount of the net assets of the businesses attributable to the additional interest acquired. If the Group's additional interest in the net assets of the subsidiaries exceeds the consideration paid for the additional interest, the excess is recognised as income in the consolidated statement of comprehensive income.

Business combinations

The acquisition of businesses is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 "Business Combinations" are recognised at their fair values at the acquisition date.

If the initial accounting for a business combination can be determined provisionally by the end of the period in which the combination is effected because either the fair values to be assigned to the acquiree's identifiable assets, liabilities or contingent liabilities or the cost of the combination can be determined provisionally, the Group accounts for the combination using those provisional values. The Group recognises any adjustments to those provisional values as a result of completing the initial accounting within one year from the acquisition date. Any such adjustments are made retrospectively as if those adjustments had been made at the acquisition date.

3. 重大會計政策(續)

綜合基準(續)

所有本集團內公司間之交易、結餘、收入及開支已於綜合賬目時對銷。

綜合附屬公司淨資產內的少數股東所佔權益與本集團所佔的權益分開呈列。資產淨值中之少數股東權益包括該等權益於原本業務合併日期的數額及少數股東應佔該合併日期以後的股本權益變動。適用於少數股東的虧損超出於附屬公司股權的少數股東權益的數額將與本集團的權益作出分配，惟少數股東具約束力責任及可以額外投資補足虧損者除外。

收購附屬公司之額外權益

收購附屬公司額外權益時，商譽乃按就額外權益支付代價與所收購額外權益應佔業務之資產淨值之賬面值間之差額計算。倘本集團於附屬公司資產淨值之額外權益超逾就額外權益支付之代價，則超出款項於綜合全面收入報表確認為收入。

業務合併

收購業務乃以購買法計算。收購之成本乃按交換日期本集團指定資產、所產生或所承擔之負債及作為交換以控制被收購人而發行之權益性工具之公平值，加上業務合併之任何直接應佔成本之總和計量。被收購人可識別且符合香港財務報告準則第3號「業務合併」之確認條件之資產、負債及或然負債乃以彼等於收購日期之公平值確認。

倘由於可暫時釐定指派予被收購公司的可識別資產、負債或或然負債之公平值或合併成本而能夠於合併發生的報告期末釐定對業務合併的初步會計處理，則本集團會以暫時金額將合併入賬。本集團會確認因於收購日期起計一年內完成初步會計處理產生之有關暫時金額作出之調整。任何有關調整會追溯作出，猶如該等調整於收購日期作出。

3. Significant Accounting Policies (Continued)**Business combinations (Continued)**

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Goodwill**Capitalised goodwill arising on acquisitions prior to 1 April 2005**

Goodwill arising on an acquisition of net assets and operation of another entity or a jointly controlled entity for which the agreement date is before 1 April 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant acquiree at the date of acquisition.

For previously capitalised goodwill arising on acquisitions of net assets and operations another entity or a jointly controlled entity before 1 April 2005, the Group has discontinued amortisation from 1 April 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash generating unit to which the goodwill relates may be impaired.

Capitalised goodwill arising on acquisitions on or after 1 April 2005

Goodwill arising on the acquisition of a business or a jointly controlled entity is carried at cost less any accumulated impairment losses and is presented separately in the consolidated statement of financial position.

3. 重大會計政策(續)**業務合併(續)**

因收購所產生之商譽乃確認為資產，並初步按成本計量，即業務合併之成本超出本集團於已確認之可識別資產、負債及或然負債之淨公平值中之權益之部份。倘於重新評估後，本集團於被收購人之可識別資產、負債及或然負債之淨公平值中之權益超出業務合併之成本，則超出部份即時於損益賬內確認。

少數股東於被收購人中之權益乃初步按少數股東於已確認之資產、負債及或然負債之淨公平值中之比例計量。

商譽**於二零零五年四月一日前因收購所產生之已資本化商譽**

收購淨資產及經營另一實體或共同控制實體產生之商譽按成本減任何累計減值虧損列賬，並於綜合財務狀況表個別呈列。

對於原先於二零零五年四月一日前因收購資產值及經營實體或共同控制實體所產生之已資本化商譽，本集團自二零零五年四月一日起不再繼續攤銷，而有關商譽每年及凡商譽有關之賺取現金單位有可能出現減值之跡象時進行減值測試。

於二零零五年四月一日或其後因收購所產生之已資本化商譽

收購業務或共同控制實體產生之商譽按成本減任何累計減值虧損於綜合財務狀況表個別列賬。

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3. Significant Accounting Policies (Continued)

Goodwill (Continued)

Capitalised goodwill arising on acquisitions on or after 1 April 2005 (Continued)

For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss for goodwill is not reversed in a subsequent periods.

On subsequent disposal of a business or a jointly controlled entity, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

Interests in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, interests in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

3. 重大會計政策(續)

業務合併(續)

於二零零五年四月一日或其後因收購所產生之已資本化商譽(續)

就減值測試而言，商譽分派到預期從收購之協同效應中獲利之收購所產生的各個賺取現金單位或賺取現金組別。獲分派商譽之賺取現金單位按年或當有跡象顯示單位可能出現減值時測試減值。於某個財政年度因收購產生的商譽，其所屬的賺取現金單位會於該財政年度完結前測試減值。當賺取現金單位之可收回金額少於單位之賬面值，則首先將減值虧損分派，扣減首先分派到該單位的任何商譽的賬面值，而其後則按單位內各資產的賬面值按比例分配至單位的其他資產。商譽之減值虧損均直接於損益賬確認。就商譽確認之減值虧損於其後期間不予撥回。

出售一項業務或一家共同控制實體時，已資本化商譽之應佔金額乃計入釐定出售收益或虧損之金額內。

於聯營公司之權益

聯營公司乃投資者對其具有重大影響力而並非附屬公司亦非合營權益之實體。重大影響力為參與被投資公司的財務及營運決策的權力，但並非可控制或共同控制該等政策。

聯營公司之業績及資產負債乃按權益會計法納入綜合財務報表內。根據權益會計法，於聯營公司之權益乃按成本另就本集團攤佔聯營公司之資產淨值變動於收購後之變動調整，減任何已識別減值虧損，於綜合財務狀況表列賬。當本集團攤佔聯營公司之虧損等於或超過其於該聯營公司之權益(包括實質上構成本集團在聯營公司的投資淨額之一部份之任何長期權益)，本集團不再確認其攤佔之進一步虧損。額外攤佔虧損會提撥準備及確認負債，惟僅以本集團已招致之法定或推定責任或代表該聯營公司支付之款項為限。

3. Significant Accounting Policies (Continued)**Interests in associates (Continued)**

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is not tested for impairment separately. Instead, the entire carrying amount of the investment is tested for impairment as a single asset. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment in the associate. Any reversal of impairment loss is recognised to the extent that the recoverable amount of the investment subsequently increases.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

Investments in jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

The Group recognises its interests in jointly controlled entities using proportionate consolidation. The Group's share of each of the assets, liabilities, income and expenses of the jointly controlled entities are combined with the Group's similar line items, line by line, in the consolidated financial statements.

Any goodwill arising on the acquisition of the Group's interest in jointly controlled entities is accounted for in accordance with the Group's accounting policy for goodwill arising on acquisition on a business or jointly controlled entities (see above).

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

When a group entity transacts with a jointly controlled entity of the Group, profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity.

3. 重大會計政策(續)**於聯營公司之權益(續)**

任何收購成本超逾本集團於收購日期確認聯營公司之已識別資產、負債及或然負債中所佔公平淨額，均確認為商譽。商譽包括於投資之賬面金額，不會個別作出減值測試。取而代之，投資的賬面總值會作為單一資產進行減值測試。任何已確認的減值虧損不會分配至組成於聯營公司的投資賬面值一部分的任何資產(包括商譽)。減值虧損任何撥回以投資可收回金額於其後的增加為限確認。

於重估後，任何本集團應佔已識別資產、負債及或然負債之公平淨額超逾收購成本之金額，則即時於損益賬中確認。

倘集團公司與本集團之一間聯營公司進行交易，則損益以本集團於有關聯營公司中之權益為限對銷。

於共同控制實體之投資

共同控制實體指合營安排涉及成立一間獨立實體，而合營伙伴對該實體之經濟活動具有共同控制權。

本集團採用比例綜合法確認於共同控制實體的權益。本集團將分佔共同控制實體的各項資產、負債、收益及開支，按類似的分項項目於綜合財務報表內逐行合併。

收購本集團於共同控制實體之權益所產生之任何商譽乃根據本集團之會計政策作為收購業務或共同控制實體所產生之商譽而列賬(見上文)。

本集團所攤佔可識別資產、負債及或然負債公平淨值高出收購成本的任何數額，將於重估後隨即於損益賬確認。

倘一集團公司與本集團一共同控制實體交易，溢利或虧損會按本集團於有關共同控制實體所持的權益對銷。

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3. Significant Accounting Policies (Continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Revenue from sales of natural gas, liquefied petroleum gas ("LPG"), coke and gas appliances are recognised when the gas or goods are delivered and title has passed.

Rental income under operating leases is recognised on a straight-line basis over the terms of the relevant leases.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Property, plant and equipment

Property, plant and equipment, which include land and buildings held for use in the production or supply of goods and services or for administrative purposes, other than construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment other than construction in progress over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising from derecognition of the asset is calculated as the difference between the net disposal proceeds and the carrying amount of the item and is included in profit or loss in the period in which the item is derecognised.

3. 重大會計政策(續)

收入確認

收入按已收或應收代價之公平值計算，並指於一般業務過程中就已售貨品及已提供服務應收之金額，扣除折扣及銷售相關稅項。

天然氣、液化石油氣(「LPG」)、焦煤及燃氣器具之銷售收入於燃氣或貨物送抵且物權轉移時確認。

經營租約之租金收入乃按有關租約之年期以直線基準加以確認。

來自金融資產的利息收入乃根據未償還本金額及適用的實際利率按時間基準計算。實際利率即按金融資產預期可使用年期收取之估計未來現金款項於初步確認時折現至資產賬面淨值之利率。

投資之股息收入於股東收取股息之權利獲確立時加以確認。

物業、廠房及設備

物業、廠房及設備包括持作生產或供應貨品及服務或行政用途之土地及樓宇(不包括在建工程)，其按成本減其後累計折舊及累積減值虧損入賬。

折舊撥備乃按物業、廠房及設備項目(不包括在建工程)之估計可使用年期，並考慮其估計剩餘價值後，以直線法撇銷其成本值。

物業、廠房及設備項目會在出售或預期繼續使用資產不會帶來未來經濟利益時終止確認。終止確認資產產生之任何收益或虧損乃按資產之出售所得款項淨額與該項目的賬面值兩者之差額計算，並在項目終止確認的期間計入損益賬。

3. Significant Accounting Policies (Continued)**Construction in progress**

Construction in progress represents property, plant and equipment in the course of construction for production or for the Group's own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Investment properties

Investment properties are properties held to earn rentals or for capital appreciation.

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

Leasehold land held for undetermined future use

Leasehold land held for undetermined future use is regarded as held for capital appreciation purpose and classified as an investment property, and carried at fair value. Changes in fair value of the leasehold land are recognised directly in profit or loss for the period in which changes take place.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the item is derecognised.

3. 重大會計政策(續)**在建工程**

在建工程相當於建造以供生產或本集團本身運用之物業、廠房及設備。在建工程乃按成本減任何已確認減值虧損列賬。當在建工程完成及可供擬定用途，則撥入物業、廠房及設備之適當分類。此等資產以其他物業資產之相同基準，當資產可供擬定用途時開始計算折舊。

投資物業

投資物業為持作賺取租金或資本增值之物業。

於首次確認時，投資物業按成本(包括任何直接應佔費用)計量。於初次確認後，投資物業採用公平值模式按公平值計量。因投資物業之公平值變動而產生之盈虧於變動產生期間計入損益賬。

未決定未來用途之租賃土地

未決定未來用途之租賃土地被當作作為資本升值目的持有，並分類列作一項投資物業及以公平值列賬。租賃土地公平值之變動會直接在變動發生期間之損益賬確認。

投資物業乃於出售後或在投資物業永久不再使用或預期出售該物業不會產生未來經濟利益時取消確認。於取消確認該資產時產生的任何損益(以出售所得款項淨額與該資產的賬面值的差額計算)乃計入於該項目取消確認的期間的損益賬內。

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3. Significant Accounting Policies (Continued)

Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill when they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, as measured by reference to the proportion that contract cost incurred for work performed to date bear the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expense in the period in which they are incurred.

When it is probable that total contract costs will exceed contract revenue, the expected loss is recognised as an expense immediately.

Where contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as an amount due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as an amount due to customers for contract work. Amounts received before the related work is performed are included in the consolidated statement of financial position, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under trade and other receivables.

3. 重大會計政策(續)

無形資產

於業務合併中收購的無形資產

業務合併中所收購之無形資產倘符合無形資產之定義及彼等之公平值能夠可靠地計量，則與商譽分開確定及確認。有關無形資產之成本乃有關無形資產於收購日期之公平值。

於初步確認後，有限定可用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損列賬。有限定可用年期之無形資產按彼等之估計可使用年期以直線法予以攤銷。

建造合同

倘建造合同之結果得以可靠估計，收入及成本會參考於報告期末合約活動完成階段來確認，有關完成階段乃參考至今已履行工程產生的合約成本佔估計總合約成本的比例而計算，惟倘若未能反映完成階段則除外。合約工程、索償及激勵付款的變動以能夠可靠計量有關金額及認為大有可以獲取為限入賬。

倘建造合同之結果未能可靠衡量，合同收入以大有可能收回之合同成本確認。合同成本將於彼等產生之期間作開支確認。

倘合同成本總額可能超逾合同收入時，預期虧損將立即作開支確認。

倘直至當日所產生之合同成本加已確認溢利減已確認虧損超逾按進度開發賬單之數額，多出之數會被視為應收客戶合約工程款項。倘合約按進度開發賬單之數額超逾直至當日所產生之合同成本加已確認溢利減已確認虧損，多出之數會列作應付客戶合約工程款項。於進行有關工作前已收取之款項於綜合財務狀況表計作負債，列作已收按金。若已進行工程並開發賬單但客戶尚未付款，有關金額乃列作綜合財務狀況表中的應收貿易賬款及其他應收賬項。

3. Significant Accounting Policies (Continued)**Inventories**

Inventories, including construction materials, gas appliances and gas for sales, LPG, coke, consumables and spare parts, are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating lease is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as reduction of rental expense over the lease term on a straight-line basis.

Leasehold land and building

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification, unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is generally treated as a finance lease and accounted for as property, plant and equipment. To the extent the allocation of the lease payments can be made reliably, leasehold interests in land are accounted for as operating leases and amortised over the lease term on a straight-line basis.

3. 重大會計政策(續)**存貨**

存貨，包括建築物料，作銷售之燃氣器具及燃氣、LPG、焦煤、消耗品及備件乃按成本及可變現淨值兩者中較低者入賬。成本按加權平均成本法計算。

租賃

當租賃條款將資產所有權之大部份風險及回報轉讓至承租人，則該等租約均被列為融資租約。所有其他租約乃列作經營租約。

本集團作為出租人

經營租約租金收入乃於損益賬按有關租約之年期以直線法確認。在磋商及安排經營租約時產生之初期直接成本，乃加入租約資產之賬面值並於租約年期以直線法確認為開支。

本集團作為承租人

經營租約付款於有關租約期間按直線法確認為開支。作為促使訂立經營租約之已收及應收利益，於租約期以直線法確認為租金開支減幅。

租賃土地及樓宇

土地及樓宇之租賃中的土地及樓宇部份乃於租賃分類時分開考慮。除非租金無法在土地與樓宇之間作出可靠分配，在此情況，整份租約一般被視為融資租約，並列賬為物業、廠房及設備。倘租金能可靠地計量，則土地之租賃權益以經營租約列賬，並於租約期以直線法攤銷。

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3. Significant Accounting Policies (Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group entities are translated into the presentation currency of the Group (i.e. Hong Kong dollar) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (the translation reserve). Such exchange differences are recognised in profit or loss in the period in which a foreign operation is disposed of.

Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme ("MPF Scheme") and state-managed retirement benefit schemes are charged as an expense when employees have rendered service entitling them to the contributions.

3. 重大會計政策(續)

外幣

在編製各個別集團公司的財務報表時，以該公司的功能貨幣以外的貨幣(外幣)計價之交易按交易日期之匯率以其功能貨幣(即公司經營業務的主要經濟環境的貨幣)記錄。在報告期末，以外幣為單位之貨幣性項目均按該日之匯率再換算。按公平值列賬以外幣計值的非貨幣項目按釐定公平值當日的現行匯率重新換算。按歷史成本計算以外幣計值的非貨幣項目不予重新換算。

由於結算貨幣性項目及換算貨幣性項目而產生的匯兌差額，會在其產生的期間在損益賬確認。

再換算按公平值列值的非貨幣性項目所產生的匯兌差額包括於期間之損益賬，但再換算損益直接在其他全面收入中確認的非貨幣性項目所產生的匯兌差額除外，在該情況下，匯兌差額亦直接在其他全面收入中確認。

於編製綜合財務報表時，本集團實體之資產及負債，按報告期末之匯率換算為本集團的列報貨幣(即港元)，而其收入及支出則按年內之平均匯率換算，除非匯率在期間內大幅波動，在該情況下，則使用交易日期的匯率。所產生之匯兌差額(如有)，將於其他全面收入確認，並累計至權益(匯兌儲備)。該等匯兌差額將於出售有關境外業務的期間內於損益賬確認。

退休福利成本

向強制性公積金計劃(「強積金計劃」)及國家管理退休福利計劃所作供款於僱員已提供服務而有權獲得供款時支銷。

3. Significant Accounting Policies (Continued)**Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in jointly controlled entities, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

3. 重大會計政策(續)**稅項**

所得稅開支指現時應付稅項及遞延稅項。

現時應付稅項乃按本年度應課稅盈利計算。應課稅盈利與綜合全面收入報表中所報盈利不同，乃由於前者不包括在其他年度應課稅或可扣稅收入及開支，並且不包括從未課稅及扣稅之項目。本集團即期稅項負債以報告期末已制訂或實際採用的稅率計算。

遞延稅項乃按綜合財務報表資產及負債賬面值及計算應課稅盈利相應稅基差額而確認。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產乃按可能出現可利用臨時時差扣稅之應課稅盈利時提撥。若於一項交易中，因商譽或因業務合併以外原因開始確認其他資產及負債而引致之臨時時差既不影響應課稅務盈利、亦不影響會計盈利，則不會確認該等資產及負債。

遞延稅項負債乃就於附屬公司及聯營公司之投資以及於共同控制實體之權益產生之應課稅臨時差額確認，惟本集團可控制臨時差額之撥回及臨時差額於可見未來將不會撥回除外。因與該等投資及權益相關的可扣減臨時差額產生的遞延稅項資產，僅會於大有可能有足夠應課稅溢利可以使用臨時差額的好處，且預期有關臨時差額於可見將來可以撥回時確認。

遞延稅項資產之賬面值於每個報告期末作檢討，並於沒可能會有足夠應課稅盈利恢復全部或部分資產價值時作調減。

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3. Significant Accounting Policies (Continued)

Taxation (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 重大會計政策(續)

稅項(續)

遞延稅項資產及負債按清償負債或變現資產期內預期採用的稅率計算，有關稅率按報告期末已頒佈或實質頒佈的稅率(及稅法)釐定。遞延稅項負債及資產的計算反映於報告期末本集團預期收回或清償其資產及負債賬面值的方式所引致的稅務影響。遞延稅項於損益賬確認，惟倘與在其他全面收入或直接於權益確認的項目有關除外，在該情況下，遞延稅項亦分別於其他全面收入或直接於權益確認。

借貸成本

收購、興建或生產合資格資產應佔的直接借款成本，將計入該等資產的成本，直至有關資產已實際上可作擬定用途或銷售時為止。暫時投資特定借貸以待用作合資格資產之開支前所賺取之投資收入乃從合資格資本化之借貸成本中扣除。

所有其他借貸成本於產生期間在損益賬確認。

金融工具

當集團公司成為工具合約條款的一方時，會在綜合財務狀況表上確認金融資產及金融負債。金融資產和金融負債在初次確認時會以公平值進行計量。於購置或發行金融資產和金融負債(按公平值計入損益之金融資產及金融負債除外)直接應佔的交易費用在初步確認時計入或扣自各金融資產或金融負債(視何者適用而定)的公平值。直接應佔購置按公平值計入損益之金融資產或金融負債的交易費用立即在損益賬確認。

金融資產

本集團之金融資產分別列入按公平值計入損益之金融資產、貸款和應收款項，及可出售金融資產三項其中一項。所有以一般方式買賣之金融資產均按買賣日期基準確認及終止確認。以一般方式買賣金融資產是指須於市場規管或慣例所設定時限內交付之金融資產買賣。

3. Significant Accounting Policies (Continued)**Financial instruments (Continued)****Financial assets (Continued)***Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Financial assets at fair value through profit or loss

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Held-for-trading investments are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the 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. Subsequent to initial recognition, loans and receivables including amounts due from associates, trade and other receivables, pledged bank deposits and bank balances are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

3. 重大會計政策(續)**金融工具(續)****金融資產(續)***實際利率法*

實際利率法為計算金融資產攤銷成本及分配於有關期間之利息收入之方法。實際利率乃按金融資產之預計年期或適用的較短期間內於初步確認時準確折現估計未來現金收入(包括構成實際利率不可或缺部分之一切已付或已收費用、交易成本及其他溢價或折讓)至其賬面淨值之利率。

就債務工具而言，利息收入乃按實際利率基準確認。

按公平值計入損益之金融資產

倘屬下列各項，金融資產乃分類為持作買賣：

- 主要作為近期內出售用途而購入；或
- 金融資產為本集團共同管理之金融工具確定組合之一部分及其具短期獲利實際模式；或
- 金融資產為一個衍生產品而非指定及有效用作對沖工具。

持作買賣投資以公平值計量，而因重新計量而產的公平值變動於產生期內直接於損益賬確認。於損益賬確認之盈虧淨額不包括任何股息或就金融資產賺取之利息。

貸款及應收款項

貸款及應收款項指並非於活躍市場報價而具有固定或可確定付款之非衍生金融資產。於初步確認後，貸款及應收款項(包括應收聯營公司款項、貿易應收賬款及其他應收賬項、已質押銀行存款以及銀行結餘)乃利用實際利息法按攤銷成本扣除任何已確定減值虧損列賬(請參閱下文有關金融資產之減值虧損之會計政策)。

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3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as (a) loan and receivable, (b) held to maturity investments or (c) financial assets at fair value through profit or loss. Available-for-sale financial assets are measured at fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in investment revaluation reserve, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously accumulated in the investment revaluation is reclassified to profit or loss (see accounting policy on impairment loss on financial assets below).

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at the end of the reporting period (see accounting policy on impairment loss on financial assets below).

Impairment of financial assets

Financial assets, other than those classified as held-for-trading, are assessed for indicators of impairment at the end of the reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been impacted.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

可供出售金融資產

可供出售金融資產乃被劃定為此類別或並無歸入為以下各項之任何其他類別的非衍生工具：(a)貸款及應收賬款；(b)持有至到期投資；或(c)按公平值計入損益賬之金融資產。於報告期末，可供出售金融資產均以公平值計量。公平值變動在其他全面收入中確認，並累計至投資重估儲備，直至金融資產出售或確定為減值為止，屆時，先前在投資重估儲備中累計的累積損益會重新分類至損益賬(見下文有關金融資產的減值虧損的會計政策)。

就於活躍市場並無市價報價及其公平值未能可靠計算之可供出售之股本投資，以及與該等無報價股本工具有關並須以交付該等工具結算之衍生工具而言，該等可供出售之股本投資及衍生工具於報告期末按成本值減任何已識別減值虧損計算(請參閱下文有關金融資產之減值虧損之會計政策)。

金融資產減值

金融資產(分類為持作買賣之金融資產除外)會於報告期末評估減值跡象。倘有客觀憑證顯示因於初步確認金融資產後發生之一項或多項事件而令金融資產之估計未來現金流受到影響，則金融資產會予以減值。

就可供出售股本投資而言，該投資之公平值大幅或長期低於其成本可被視為減值之客觀證據。

就貸款及應收款項而言，減值之客觀證據包括：

- 發行人或交易對手出現重大財政困難；或
- 違約或逾期尚未償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

3. Significant Accounting Policies (Continued)**Financial instruments (Continued)****Impairment of financial assets (Continued)**

For trade receivables that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include Group's past experience of collecting payments and observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When the trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments will not be reversed in profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated in investment revaluation reserve.

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are generally classified into financial liabilities at fair value through profit or loss and other financial liabilities.

3. 重大會計政策(續)**金融工具(續)****金融資產減值(續)**

被評估為不會個別減值之貿易應收賬款其後會按整體基準進行減值評估。應收款項組合減值之客觀證據可包括本集團收回款項之過往經驗，以及與拖欠應收款項有關之國家或地區經濟狀況可觀察轉變。

就按攤銷成本列賬之金融資產而言，倘有客觀證據顯示資產已減值時，則會於損益賬確認減值虧損，並按資產賬面值與根據原實際利率貼現之估計未來現金流現值間之差額計量。

就所有金融資產而言，金融資產之賬面值會直接扣減有關減值虧損，惟貿易應收賬款除外，其賬面值會透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益表中確認。當貿易應收賬款被視為不可收回時，其將於撥備賬內撇銷。其後收回之前已撇銷的款項，均計入損益賬內。

就按已攤銷成本列賬之金融資產而言，如在隨後之期間減值虧損金額減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益賬予以撥回，惟該資產於減值被撥回當日之賬面值，不得超過無確認減值下之已攤銷成本。

可供出售股本投資之減值虧損不會於往後期間撥回損益賬。減值虧損後公平值之增加會直接於其他全面收入確認，並累計至投資重估儲備。

金融負債及權益

集團公司發行的金融負債和股本工具根據所訂立的合約安排的實質內容以及金融負債和股本工具的定義而歸類。

股本工具指能證明擁有本集團資產在減除其所有負債後的剩餘權益的任何合約。本集團之金融負債一般歸類為按公平值計入損益之金融負債及其他金融負債。

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3. Significant Accounting Policies (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fee paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

Financial liabilities

Financial liabilities including trade and other payables, amount due to a minority shareholder of a subsidiary, bank and other borrowings are subsequently measured at amortised cost, using the effective interest method.

Convertible bonds that contain liability component and conversion/redemption option derivatives

Convertible bonds issued by the Group that contain liability and conversion/redemption option derivatives components are classified separately into respective items on initial recognition. Conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is a conversion option derivative. The redemption option derivatives represent the redemption at the option of the bond holders before the maturity date. At the date of issue, both the liability and conversion/redemption option components are recognised at fair value.

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The conversion/redemption option derivative is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and conversion/redemption option components in proportion to the allocation of the proceeds. Transaction costs relating to the conversion/redemption option derivatives are charged to profit and loss immediately. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

3. 重大會計政策(續)

金融工具(續)

金融負債及權益(續)

實際利率法

實際利率法為計算金融負債攤銷成本及分配於有關期間之利息開支之方法。實際利率乃按金融負債之預計年期或適用的較短期間內於初步確認時準確折現估計未來現金付款(包括組成實際利率一部分的所有已付或已收費、交易成本及其他溢價或折讓)至其賬面淨值之利率。利息開支按實際利率基準確認。

金融負債

金融負債包括貿易應付賬款及其他應付賬項、應付附屬公司少數股東款項、銀行及其他借貸，乃其後運用實際利率法以攤銷成本計量。

包含負債及換股/贖回選擇權衍生工具部份之可換股債券

可換股債券由本集團發行，當中包括負債及換股/贖回選擇權衍生工具之部份，於首次確認時獨立分類為不同項目。換股選擇權不會以定額現金或其他金融資產交換本公司本身固定數目之股本工具而結算，乃為換股選擇權衍生工具。贖回選擇權衍生工具指債券持有人於到期日前之選擇贖回。於發行當日，負債及換股/贖回選擇權衍生工具之部份均按公平值確認。

於往後期間，可換股債券之負債部份以實際利率法按已攤銷成本列賬。換股/贖回選擇權衍生工具則按公平值計量，其公平值之變動於損益賬確認。

與發行可換股債券有關之交易成本，按所得款項分配比例分配至負債及換股/贖回選擇權之部份。與換股/贖回選擇權衍生工具有關之交易成本直接於損益賬扣除。有關負債部份之交易成本計入負債部份之賬面值，以實際利率法於可換股債券期間攤銷。

3. Significant Accounting Policies (Continued)**Financial instruments (Continued)****Financial liabilities and equity (Continued)****Obligation to acquire minority interests**

A forward contract which contains an obligation to acquire minority interest of a subsidiary is initially recognised at the present value of the contracted amount (consideration payable) with a corresponding debit to equity (minority interests) and subsequently measured at amortised cost using the effective interest method.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derivative financial instruments

Derivative financial instruments are initially measured at fair value on the contract date, and are remeasured to fair value at the end of the reporting dates. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in profit or loss as they arise.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are separated from the relevant host contracts (the liability component) and deemed as held-for-trading when the economic characteristics and risks of the embedded derivatives are not closely related to those of the host contracts, and the combined contracts are not measured at fair value through profit or loss. In all other circumstances, derivatives embedded are not separated and are accounted for together with the host contracts in accordance with appropriate standards. Where the Group needs to separate an embedded derivative but is unable to measure the embedded derivative, the combined contract is treated as held-for-trading.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised directly in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 重大會計政策(續)**金融工具(續)****金融負債及權益(續)****收購少數股東權益的責任**

遠期合約載有收購附屬公司少數股東權益的責任，初步按合約金額(應付代價)的現值確認，並從權益(少數股東權益)作出相應扣減，其後採用實際利率法按攤銷成本計算。

股本工具

本公司發行之股本工具乃按實得款項(扣除直接發行成本)入賬。

衍生金融工具

衍生金融工具初步按合約日期的公平值入賬，並於報告期末重新計算至公平值。不符合對沖會計法之衍生金融工具之公平值變動乃於產生時在損益賬確認。

附帶衍生工具

附帶於非衍生主合同之衍生工具乃自有關主合同分開(負債部份)，而當附帶衍生工具之經濟特質及風險與主合同之經濟特質及風險並無密切關係，及合併合同並非按公平值計入損益時，則被視作持作買賣。在所有其他情況下，附帶衍生工具不會分開處理，並根據適用準則與主合同一併處理。倘本集團需要分開處理附帶衍生工具，惟未能計量附帶衍生工具，則整份合併合同會被當作為持作買賣。

解除確認

當從資產收取現金流的權利屆滿時，或金融資產已轉讓而本集團實質上已將與金融資產有關的所有權的大部分風險和報酬轉移，即會解除確認該項金融資產。一旦解除確認金融資產，資產的賬面值與收到的代價與已直接在其他全面收入中確認的累積損益之總和兩者的差額會在損益賬中確認。

當有關合約中規定的義務解除、取消或到期時，金融負債將解除確認。解除確認的金融負債的賬面值與已付或應付的代價間的差額會在損益賬確認。

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3. Significant Accounting Policies (Continued)

Equity settled share-based payment transactions

Share options granted to employees of the Company after 7 November 2002 and vested on or after 1 April 2005

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period with a corresponding increase in equity (employee share-based compensation reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to employee share-based compensation reserve.

At the time when the share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained earnings.

Share options granted to employees of the Company and vested before 1 April 2005

The financial impact of the share options granted and fully vested before 1 April 2005 is not recorded in the consolidated financial statements until such time as the options are exercised, and no charge is recognised in profit or loss in respect of the value of options granted in the year. Upon the exercise of the share options, the resulting shares issued are recorded by the Company as additional share capital at the nominal value of the shares, and the excess of the exercise price per share over the nominal value of the shares is recorded by the Company in the share premium account. Options which lapse or are cancelled prior to their exercise date are deleted from the register of outstanding options.

3. 重大會計政策(續)

以股本結算及以股份形式付款之交易

於二零零二年十一月七日後授予本公司僱員及於二零零五年四月一日或之後歸屬之購股權

經參考所授購股權於授出日期之公平值釐定之已收服務公平值，乃於歸屬期間按直線法列支，權益(僱員股份報酬儲備)則會相應增加。

於報告期末，本集團會修訂其對預期最終歸屬之購股權數目的估計。修訂原有估計之影響(如有)會於餘下歸屬期在損益賬內確認，而僱員股份報酬儲備將相應予以調整。

當購股權獲行使時，早前於購股權儲備確認之數額將轉撥至股份溢價。倘購股權於歸屬日期後被收回或於屆滿日期尚未行使，早前於購股權儲備確認之數額將轉撥至保留盈利。

授予本公司僱員的購股權及於二零零五年四月一日前歸屬

已於二零零五年四月一日前授出及悉數歸屬之購股權之財務影響於購股權行使時方會於綜合財務報表中記錄，故並無就年內授出之購股權價值於損益賬確認借項。於購股權行使時，因而產生之已發行股份乃由本公司按股份面值記錄為額外股本，而每股行使價超出股份面值之部分乃由本公司記錄於股份溢價賬。行使日期前失效或註銷之購股權乃自未行使購股權登記冊中剔除。

3. Significant Accounting Policies (Continued)**Government grants**

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants related to depreciable assets are recognised as a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss over the useful lives of the related assets. Other government grants are recognised as other income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. In addition, intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, such that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

3. 重大會計政策(續)**政府補助金**

政府補助金乃就本集團確認的有關開支(預期補助金可予抵銷成本開支)期間按系統化的基準於損益賬中確認。與可折舊資產有關的政府補助金於綜合財務狀況表以有關資產賬面值的扣減確認，並於有關資產的可使用年期限內撥往損益賬。其他政府補助金按與計劃抵銷的成本配對所需期間按系統化的基準確認為其他收入。政府補助金是作為支出或已發生的虧損補償、或以給予本集團即時財務支援為目的而獲得者，且沒有未來相關成本，則在其成為應收的期間內於損益賬確認。

有形資產及無形資產(商譽除外)之減值虧損(請參閱上文有關商譽之會計政策)

於報告期末，本集團均審閱有形及無形資產之賬面值，以釐定是否有資產減值虧損之跡象。倘出現任何有關跡象，將估計資產的可收回金額以釐定減值虧損(如有)的程度。此外，具無限使用年期之無形資產會每年及當有跡象顯示可能出現減值時進行減值測試。倘資產之可收回款額估計比其賬面值為少，資產之賬面值則調低至可收回款額。減值虧損即時確認為開支。

倘減值虧損其後撥回，則資產之賬面值調升至可收回款額之經修訂估計值。惟該增加之賬面值不可超過倘該資產於過往年度無減值虧損時釐定之賬面值。減值虧損之撥回即時確認為收入。

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4. Restatements

During the year ended 31 March 2009, the Group acquired a business through a subsidiary of which the fair values of the identifiable assets, liabilities and contingent liabilities acquired were determined provisionally. During the year ended 31 March 2010, the Group made certain fair value adjustments, with reference to the valuation reports, to the carrying amounts of the identifiable assets and liabilities of the business acquired as a result of completing the initial accounting. The adjustments to the fair values at the acquisition date of the identifiable assets, liabilities and contingent liabilities were made as if initial accounting had been completed on the acquisition date.

The cumulative effects of the above restatements on the consolidated statement of financial position as at 31 March 2009 are summarised below:

		As at 31 March 2009	Subsequent fair value adjustments on acquisition of business (note 42(B)(i)) 於收購業務時的 其後公平值調整 (附註42(B)(i))	As at 31 March 2009
		於二零零九年 三月三十一日 HK\$'000 千港元 (originally stated) (按原列)	HK\$'000 千港元	於二零零九年 三月三十一日 HK\$'000 千港元 (restated) (重列)
Property, plant and equipment	物業、廠房及設備	9,239,775	(107,498)	9,132,277
Goodwill	商譽	633,620	50,847	684,467
Interests in associates	於聯營公司的權益	1,006,332	(5,366)	1,000,966
Deferred taxation	遞延稅項	(262,501)	26,874	(235,627)
Other assets and liabilities	其他資產及負債	(6,599,955)	-	(6,599,955)
Net assets	淨資產	4,017,271	(35,143)	3,982,128
Minority interests	少數股東權益	794,001	(35,143)	758,858
Other reserves items	其他儲備項目	3,223,270	-	3,223,270
		4,017,271	(35,143)	3,982,128

The above restatements did not result in respect of the depreciation on property, plant and equipment material financial impact and related tax effect for the current and prior years.

The above restatements relate to an acquisition which was effected during the year ended 31 March 2009 and hence have no financial impact on the consolidated statement of financial position as at 1 April 2008. Accordingly no restated consolidated statement of financial position as at 1 April 2008 is presented.

4. 重列

於截至二零零九年三月三十一日止年度，本集團透過一家附屬公司收購業務，而當中所收購之可識別資產、負債以及或然負債之公平值乃臨時釐定。截至二零一零年三月三十一日止年度，本集團參考估值報告、於初始會計完成後所收購業務可識別資產及負債及業務之賬面值，作出若干公平值調整。就於收購日期可識別資產、負債以及或然負債之公平值的調整乃猶如初始會計於收購日期經已完成作出。

上述重列對於二零零九年三月三十一日之綜合財務狀況表之累積影響概列如下：

以上重列對本年度及上年度的物業、廠房及設備折舊及相關稅務影響並無任何重大財務影響。

以上重列關於截至二零零九年三月三十一日止年度進行的收購，故對於二零零八年四月一日的綜合財務狀況表並無財務影響。因此，並無呈列對二零零八年四月一日綜合財務狀況表的重列。

5. Key Sources of Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting periods, 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.

Fair value of derivative financial instruments

The management of the Group uses their judgments in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. For derivative financial instruments and convertible bonds with embedded derivatives, assumptions are made based on quoted market rates adjusted for specific features of the instrument.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. When the actual future cash flows are less than expected, a material impairment loss may arise. The carrying amount of goodwill at 31 March 2010 was HK\$900,577,000 (2009: HK\$684,467,000) with no impairment loss recognised. Details of the value in use calculation are set out in note 25.

Impairment of intangible assets

At the end of the reporting period, management reconsidered the recoverability of its intangible assets arising from the acquisitions of businesses/assets, in which the carrying amount at 31 March 2010 was HK\$1,254,675,000 (2009: HK\$320,297,000). The business of the cash generating unit ("CGU") continues to progress in a satisfactory manner. Detailed valuation analysis has been carried out and management is confident that the carrying amount of the asset will be recovered in full. This situation will be closely monitored. Any change in the business environment may lead to the change of expected future cashflows in the future. If the future recoverable amounts fall below the carrying amounts, additional impairment is required.

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account the estimated residual value. The Group assesses annually the residual value and the useful life of the property, plant and equipment and if the expectation differs from the original estimates, such differences from the original estimates will impact the depreciation charges in the year in which the estimates change.

5. 估計不明朗因素之主要來源

涉及日後之主要假設及於報告期末估計不明朗因素之其他主要來源(彼等均擁有導致下個財政年度之資產及負債之賬面值出現大幅調整之重大風險)討論如下。

衍生金融工具之公平值

本集團管理層為於活躍市場並無報價之金融工具選定合適之估值方法時，會運用彼等之判斷。市場從業員普遍應用之估值方式會予以採納。就衍生金融工具及具有附帶衍生工具之可換股債券而言，乃就市場報價作出假設，並就工具之特定功能作出調整。

商譽減值

釐訂商譽是否出現減值須估計商譽所分配之賺取現金單位之使用價值。計算使用價值時，本集團須估計賺取現金單位預期產生之現金流量，以及選擇一合適之貼現率以計算現值。當實際未來現金流量少於預期時，則會產生重大減值虧損。於二零一零年三月三十一日，商譽之賬面值為900,577,000港元(二零零九年：684,467,000港元)，且並無確認減值虧損。計算使用價值之詳情載於附註25。

無形資產減值

於報告期末，管理層重新估計收購業務／資產產生之無形資產之可收回程度，該等無形資產於二零一零年三月三十一日之賬面值為1,254,675,000港元(二零零九年：320,297,000港元)。有關現金產生單位(「現金產生單位」)業務繼續有滿意之進展。詳細估值分析已經進行，而管理層有信心資產之賬面值可得以全數收回。有關情況將受密切監控。業務環境之任何變動可導致將來之估計未來現金流變動。倘未來可收回金額低於賬面值，則須作出額外減值。

物業、廠房及設備之折舊

物業、廠房及設備之折舊乃於其估計可用年內按直線法基準折舊，並經計及估計剩餘價值。本集團會按年評估物業、廠房及設備之剩餘價值及可用年期，而倘預期數字有別於原有估計，則與原有估計之差異將對估計有所改變之年內之折舊撥備構成影響。

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5. Key Sources of Estimation Uncertainty (Continued)

Deferred taxation

As at 31 March 2010, the Group has unused tax losses of HK\$1,675,899,000 (2009: HK\$846,411,000) available for offset against future profits. No deferred tax asset in relation to these unused tax losses approximately to HK\$1,631,806,000 (2009: HK\$824,338,000) has been recognised in the consolidated statement of financial position. In cases where there are future profits generated to utilise the tax losses, a material deferred tax assets may arise, which would be recognised in the consolidated statement of comprehensive income for the period in which such future profits are recorded.

Revenue recognition of gas connection contract

Construction revenue from gas connection contracts is recognised on the percentage of completion method, measured by reference to the proportion of the contract costs incurred for the work performed to date over the estimated total contract costs. Accordingly, any changes to the estimated total contract cost may have material impact on the contract revenue recognised in each accounting period over the contract term.

6. Financial Instruments

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debts, which include the bank and other borrowings, amount due to a minority shareholder of a subsidiary and convertible bonds disclosed in notes 34, 37 and 38 respectively, and equity attributable to owners of the Company, comprising issued share capital disclosed in note 35, reserves and accumulated profits as disclosed in consolidated statements of changes in equity. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt. The Group's overall strategy remains unchanged throughout the year.

5. 估計不明朗因素之主要來源(續)

遞延稅項

於二零一零年三月三十一日，本集團可供對銷未來溢利之未使用稅項虧損為1,675,899,000港元(二零零九年：846,411,000港元)。本集團並無於綜合財務狀況表內確認關於未使用稅項虧損約1,631,806,000港元(二零零九年：824,338,000港元)之遞延稅項資產。倘日後產生溢利以使用稅項虧損，則可能引致重大遞延稅項資產，而該等遞延稅項資產將於記錄未來溢利之期間內在綜合全面收入報表確認。

燃氣接駁合約之收入確認

燃氣接駁合約之工程收入乃按完成百分比方法確認，並參考就迄今完成之工程產生之合約成本佔估計總合約成本之比例而計量。因此，估計總合約成本之任何變動均可能對合約期內各個會計期間所確認之合約收入構成重大影響。

6. 金融工具

資本風險管理

本集團管理其資本，以確保本集團旗下實體將可繼續以持續經營基準經營，同時透過優化債務及股本平衡擴大股東回報。本集團之資本結構包括債務(其包括分別於附註34、37及38披露之銀行及其他借貸、欠一間附屬公司一名少數股東之款項及可換股債券)及本公司擁有人應佔權益(由分別於附註35之已發行股本以及綜合權益變動表披露之儲備及累計溢利組成)。管理層藉審議資本成本及與各類別資本有關之風險檢討資本結構。就此而言，本集團將透過派付股息、發行新股及發行新債或贖回現有債務平衡其整體資本結構。年內，本集團之整體策略維持不變。

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6. Financial Instruments (Continued)

Categories of financial instruments

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Financial assets	金融資產		
Available-for-sale investments	可供出售投資	82,838	41,995
Held-for-trading investments	持作買賣投資	15,468	11,544
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及 現金等值項目)	5,667,985	4,120,309
FVTPL- Derivative financial assets	按公平值計入損益- 衍生金融資產	12,668	1,261
Financial liabilities	金融負債		
Amortised cost	攤銷成本	16,063,221	12,551,946
FVTPL- Derivative financial liabilities	按公平值計入損益- 衍生金融負債	-	360,869

6. 金融工具(續)

金融工具類別

Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, held-for-trading investments, amount due from/to an associate, trade and other receivables, derivative financial instruments, trade and other payables, amounts due from/to minority shareholders of subsidiaries, bank and other borrowings, pledged bank deposits and bank balances. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies applied by the Group on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

財務風險管理目標及政策

本集團之主要金融工具包括可供出售投資、持作買賣投資、應收／應付聯營公司款項、貿易應收賬款及其他應收賬項、衍生金融工具、貿易應付賬款及其他應付款項、應收／應付附屬公司少數股東之款項、銀行及其他借貸、已抵押銀行存款以及銀行結餘。該等金融工具詳情於各附註披露。下文載列與該等金融工具有關之風險及本集團如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

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6. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Market risks

Currency risk

The Group collects most of its revenue in RMB and most of the expenditures as well as capital expenditures are also denominated in RMB. However, the Group has convertible bonds, certain bank balances, trade payables and bank and other borrowings that are not denominated in functional currency of the respective group entities. The appreciation or devaluation of RMB against foreign currencies may have positive or negative impact on the results of operations of the Group.

The Group currently does not have a foreign currency hedging policy but the director's monitor foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. As at end of the reporting period, the carrying amounts of the Group's monetary assets and liabilities that are denominated in foreign currency are as follows:

		Assets 資產		Liabilities 負債	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
United States Dollars ("USD")	美元(「美元」)	796,306	373,531	4,232,459	3,448,881
HK\$	港元	43,758	11,895	-	-
Japanese Yen ("JPY")	日圓(「日圓」)	-	-	451,622	47,479
Euro ("EUR")	歐元(「歐元」)	-	-	-	22,907

Sensitivity analysis

The following table details the Group's sensitivity to a 5% (2009: 5%) increase and decrease in RMB against respective foreign currencies and all other variables were held constant. 5% (2009: 5%) is the sensitivity rate used by management in the assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currencies denominated monetary items and adjusts its translation at the year end for a 5% (2009: 5%) change in foreign currencies rates. A positive number below indicates an increase in post-tax profit for the year where RMB strengthen 5% (2009: 5%) against the respective foreign currencies. For a 5% (2009: 5%) weakening of RMB against respective foreign currencies, there would be an equal and opposite impact on the post-tax profit for the year.

6. 金融工具(續)

財務風險管理目標及政策(續)

市場風險

貨幣風險

本集團大部份收益均以人民幣收取，而大部份開支及資本開支亦均以人民幣計值。不過，本集團亦有可換股債券、若干銀行結餘、貿易應付賬款及銀行及其他借貸並非以各相關集團實體的功能貨幣計值。人民幣對外幣升值或貶值可能會對本集團之經營業績構成正面或負面影響。

本集團目前並無外幣對沖政策，但董事負責監察外匯風險，如有需求，會考慮對沖重大外匯風險。於報告期末，本集團以外幣計值之貨幣資產及負債之賬面值如下：

敏感度分析

下表詳述本集團就人民幣兌各外幣升值及貶值5% (二零零九年：5%)之敏感度，所有其他變數維持不變。5% (二零零九年：5%)為管理層評估外匯合理可能變動之敏感度比率。敏感度分析僅包括發行在外之外幣計值貨幣項目，並就外幣匯率之5% (二零零九年：5%)變動於年終調整其換算。下表所示之正數指出倘人民幣兌有關貨幣升值5% (二零零九年：5%)時，年度除稅後溢利會有所上升。就人民幣兌有關外幣貶值5% (二零零九年：5%)而言，其會對年度除稅後溢利構成相同但反向之影響。

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6. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Market risks (Continued)

Currency risk (Continued)

Sensitivity analysis (Continued)

6. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

敏感度分析(續)

		Increase (decrease) in post-tax profit for the year 年度除稅後溢利增加(減少)	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
USD impact	美元影響	128,856	153,768
HK\$ impact	港元影響	(1,641)	(595)
JPY impact	日圓影響	16,936	2,374
EUR impact	歐元影響	-	1,145
		144,151	156,692

Interest rate risks

The Group manages its interest rate exposure based on interest rate level as well as potential impact on the Group's financial position arising from volatility. Interest rate swap is the hedging instrument most commonly used by the Group to manage interest rate exposure.

The Group's fair value interest rate risk relates primarily to fixed-rate bank and other borrowings, amount due to a minority shareholder of a subsidiary and the convertible bonds issued by the Group (see notes 34, 37 and 38 for details of these borrowings and convertible bonds respectively). In relation to the fixed-rate bank and other borrowings, the Group entered into interest rate swaps to manage its exposures to changes in fair values of the borrowings. These hedging activities do not qualify for hedge accounting. The changes in fair value of the interest rate swaps are recognised in the profit and loss as they arise.

The Group's cash flow interest rate risk primarily relates to variable-rate bank balances and floating-rate bank and other borrowings (see notes 32 and 34 for details of bank balances and these borrowings respectively). It is the Group's policy to keep its borrowings at floating rate of interests so as to minimise the fair value interest rate risk.

利率風險

本集團根據利率水平及波幅對本集團財務狀況所構成之潛在影響管理其利率風險。利率掉期為本集團最常採用之對沖工具，以管理利率風險。

本集團之公平值利率風險主要與定息銀行及其他借貸、應付附屬公司少數股東之款項以及本集團發行之可換股債券(有關該等借貸及可換股債券之詳情分別見附註34、37及38)有關。就固定利率之銀行及其他借貸而言，本集團訂立利率掉期以對沖借貸公平值變動之風險。該等對沖活動並不符合對沖會計法。利率掉期之公平值變動於產生時在損益確認。

本集團之現金流量利率風險主要涉及浮息銀行結餘及浮息銀行及其他借貸(該等銀行結餘及借貸詳情見附註32及34)。本集團之政策乃把其借貸維持在浮動利率，以減低公平值利率風險。

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6. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Market risks (Continued)

Interest rate risks (Continued)

Sensitivity analysis

The sensitivity analyses have been determined based on the exposure to interest rate risk for both floating-rate bank and other borrowings and interest rate swaps, together with the interest capitalised to construction in progress at the end of the reporting period. Floating-rate bank balances have not been included in the sensitivity analysis as the management considers that the interest rate would not fluctuate significantly in the near future and therefore the financial impact to the group is not significant. A change of 100 basis points (2009: 100 basis points) was applied to the yield curves and interest rate on both floating-rate bank and other borrowings and interest rate swap, together with the interest capitalised to construction in progress. The applied change is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. If the interest rate of variable rate bank and other borrowings and interest rate swaps, together with the interest capitalised to construction in progress had been 100 basis points (2009: 100 basis points) higher/lower and all other variables were held constant, the Group's post-tax profit for the year, after taking amount of interest capitalised, would increase/decrease by HK\$87,870,000 (2009: HK\$192,710,000).

Equity price risk

The Group's available-for-sale investments and held-for-trading investments are measured at fair value at the end of the reporting period. Therefore, the Group is exposed to equity security price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks of listed equity instrument at the reporting date. A 10% (2009: 10%) change is used when reporting equity price risk internally to key management personnel and represents management's assessment of the reasonably possible change in equity price.

For the year ended 31 March 2010, if the market bid prices of the listed investments had been 10% (2009: 10%) higher/lower and all other variables were held constant, the Group's post-tax profit for the year would increase/decrease by HK\$1,292,000 (2009: HK\$1,404,000) and the Group's investment revaluation reserve will increase/decrease by HK\$1,323,000 (2009: nil) respectively. This is mainly attributable to the changes in fair values of the listed held-for-trading investments and available-for-sale investments respectively.

6. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

利率風險(續)

敏感度分析

敏感度分析乃根據浮息銀行及其他借貸及利率掉期之利率風險，連同於報告期末已撥充在建工程資本之利息釐定。由於管理層認為於可見將來利率不會大幅波動，對本集團的財務影響不大，故並無將浮息銀行結餘計入敏感性分析中。已就浮息銀行及其他借貸及利率掉期之收益曲線及利率(連同撥充在建工程之利息)使用100個基點(二零零九年：100個基點)。於內部向主要管理人員呈報利率風險時會使用適用基點，其代表管理層對利率之合理可能變動之評估。倘浮息銀行及其他借貸及利率掉期之利率，連同已撥充在建工程資本之利息上升/下跌100個基點(二零零九年：100個基點)，而所有其他變數維持不變，則本集團之年度除稅後溢利於計及資本化之利息後將增加/減少87,870,000港元(二零零九年：192,710,000港元)。

股本價格風險

本集團之可供出售投資及持作買賣投資按其於報告期末之公平值計量。因此，本集團須承受股本證券價格風險。管理層已維持不同風險程度之投資組合，藉此針對此方面之風險。

敏感度分析

下文之敏感度分析乃根據上市股本工具於呈報日期須承受之股本價格風險而釐定。於內部向主要管理人員呈報股本價格風險時會使用10%(二零零九年：10%)之變動，其代表管理層對股本價格之合理可能變動之評估。

於截至二零一零年三月三十一日止年度，倘上市投資之市場買價上升/下跌10%(二零零九年：10%)，而所有其他變數維持不變，則本集團之年度除稅後溢利將增加/減少1,292,000港元(二零零九年：1,404,000港元)，而本集團之投資重估儲備將增加/減少1,323,000港元(二零零九年：零港元)。此主要由於上市持作買賣投資及可供出售投資之公平值分別變動所致。

6. Financial Instruments (Continued)**Financial risk management objectives and policies (Continued)****Market risks (Continued)***Credit risk*

As at 31 March 2010, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counter parties or debtors in relation to each class of recognised financial assets is the carrying amounts of those assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each half-reporting end date and end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Other than concentration of credit risk on amounts due from associates, the Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers. In order to minimise the credit risk on amount due from an associate, the directors of the Company closely monitors the subsequent settlement and does not grant long credit period to the counterparty. In this regard, the directors of the Company consider that the Group's credit risk is significant reduced.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are reputable banks in the PRC and banks with high credit-ratings assigned by international credit-rating agencies.

The policy of allowances for doubtful debts of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's estimate. In determining whether impairment is required, the Group takes into consideration of aging status and likelihood of collection. Specific allowance is only made for receivables that are unlikely to be collected and is recognised on the difference between the estimated future cash flows expected to receive discounted using the original effective interest rate and the carrying value. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

6. 金融工具(續)**財務風險管理目標及政策(續)****市場風險(續)***信貸風險*

於二零一零年三月三十一日，由於對手方或債務人未能履行關於各組已確認金融資產之責任將導致本集團蒙受財務損失，本集團之最大信貸風險乃相當於綜合財務狀況表所列該等資產之賬面值。

為盡量減低信貸風險，本集團之管理層已指派隊伍負責釐定信貸額度、信貸審批及其他監察程序，以確保就追討逾期債項採取跟進行動。此外，本集團於半個報告期末及報告期末審閱各項貿易債項之可收回金額，以確保就未能收回之金額作出足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險可大幅減少。

除應收聯營公司款項之集中信貸風險外，本集團並無重大集中之信貸風險，風險分佈於多名對手方及客戶。為盡量減低應收聯營公司款項之信貸風險，本公司董事密切監控其後之結付，且對無向對手方授予長期信貸期。就此而言，本公司董事認為本集團之信貸風險已大幅減低。

由於對手方均為中國信譽良好之銀行及獲得國際信貸評級組織評定為屬高信貸評級之銀行，因此流動資金及衍生金融工具之信貸風險有限。

本集團就呆賬撥備之政策乃根據賬款之可收回性及賬齡分析評估以及管理層估計釐定。於釐定是否須作出減值時，本集團考慮賬齡狀況及可收回性。僅會就不大可能收回之應收款項作出特別撥備，並按使用原實際利率貼現之將予收取估計未來現金流與賬面值間之差額確認。倘本集團客戶之財務狀況轉差，致使彼等之還款能力減弱，則可能須作出額外撥備。

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6. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Market risks (Continued)

Liquidity risk

The Group has net current liabilities of HK\$1,802,146,000 as at 31 March 2010. The consolidated financial statements have been prepared on a going concern basis because the directors believe that the Group has sufficient funds to finance its current working capital requirements taking into account of the cash flows from operations and assuming the continuing ability to utilise of the available long-term bank loans facilities. As at 31 March 2010, the Group had available unutilised long-term bank loans facilities of HK\$8,888,805,000 (2009: HK\$12,914,680,000). Details of the Group's bank and other borrowings at 31 March 2010 are set out in note 34.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition to issuance of new shares and convertible bonds, the Group also relies on bank and other borrowings as a significant source of liquidity. The management monitors the utilisation of bank and other borrowings.

Liquidity tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal gross cash flows. To the extent that interest flows are floating rate, the undiscounted amount is based on interest rate at the end of the reporting period.

In addition, the following tables detail the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted contractual net cash (inflows) and outflows on derivative instruments that settle on a gross basis and in accordance with contractual maturities as the management consider that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

6. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

流動資金風險

於二零一零年三月三十一日，本集團之流動負債淨額為1,802,146,000港元。綜合財務報表乃按持續經營基準編製，原因是董事在考慮到經營所得現金流及假設可繼續運用備用長期銀行貸款融資後認為，本集團有足夠資金應付其目前營運資金所需。於二零一零年三月三十一日，本集團之可運用未動用長期銀行貸款融資為8,888,805,000港元(二零零九年：12,914,680,000港元)。本集團於二零一零年三月三十一日之銀行及其他借貸詳情載於附註34。

於管理流動資金風險時，本集團將現金及現金等值項目監控及維持在管理層視為足夠撥資本集團營運及減低現金流波動影響之水平。除發行新股及可換股債券外，本集團亦倚賴銀行及其他借貸為主要流動資金來源。管理層監控銀行及其他借貸之運用。

流動資金列表

下表詳述本集團根據協定償還期就其非衍生金融負債之餘下訂約到期情況。有關列表按本集團可要求付款之最早日期的金融負債未貼現現金流列示。表中包括利息及本金現金流量總額。倘按浮動利率計息，未貼現金額按報告期末的利率計算。

此外，下表詳列本集團衍生金融工具的流動資金分析，顯示以總額結算的衍生工具未貼現合約現金淨值(流入量)及流出量，並基於管理層認為合約年期對理解衍生工具現金流的時間至關重要。當無固定應付或應收款項，則參考於報告期末現有收益曲線列出的預測利率釐定所披露金額。

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6. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Market risks (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

6. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

流動資金風險(續)

流動資金列表(續)

		Weighted average contractual interest rate	Payable on demand	Less than 1 month	Between 1 to 3 months	Between 3 months to 1 year	Between 1 to 5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at the end of reporting period
		加權平均 合約利率	須應要求 償還	少於一個月	一個月至 三個月	三個月至 一年	一年至五年	五年以上	總未貼現 現金流	於報告期末 之賬面值
		%	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元
At 31 March 2010	於二零一零年三月三十一日									
Non-derivative financial liabilities	非衍生金融負債									
Trade payables	貿易應付賬款	-	-	340,065	1,011,614	333,800	-	-	1,685,479	1,685,479
Other payables and accrued charges	其他應付賬項及應計費用	-	-	380,514	102,177	45,576	-	-	528,267	528,267
Amounts due to minority shareholders of subsidiaries	應付附屬公司少數股東 之款項	-	50,501	-	-	-	-	-	50,501	50,501
Amounts due to shareholders of jointly controlled entities	應付共同控制實體少數股東 的款項	-	24,668	-	-	-	-	-	24,668	24,668
Obligation on capital injection to Fujian Anran (as defined in note 21) by Zhongmin Zhongran (as defined in note 42(A)(iii))	中燃中民(定義見附註42(A)(iii)) 向福建安然(定義見附註21) 注資的責任	-	-	-	-	23,448	-	-	23,448	23,448
Deferred cash consideration for acquisition of businesses	就收購業務的遞延現金代價	-	-	-	-	78,161	-	-	78,161	78,161
Bank and other borrowings	銀行及其他借貸									
- fixed rate	- 定息	6.05%	-	-	-	2,069,799	1,604,565	2,182,647	5,857,011	5,016,495
- floating rate	- 浮息	6.75%	-	230	24,954	3,601,534	3,058,447	3,487,515	10,172,680	8,299,611
Amount due to a minority shareholder of a subsidiary	應付附屬公司少數股東 之款項	2%	-	-	-	7,132	377,986	-	385,118	356,591
			75,169	720,809	1,138,745	6,159,450	5,040,998	5,670,162	18,805,333	16,063,221

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6. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Market risks (Continued)

Liquidity risk (Continued)

Liquidity tables (Continued)

6. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

流動資金風險(續)

流動資金列表(續)

		Weighted average contractual interest rate	Payable on demand	Less than 1 month	Between 1 to 3 months	Between 3 months to 1 year	Between 1 to 5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at the end of reporting period
		加權平均 合約利率	須應要求 償還	少於一個月	一個月至 三個月	三個月至 一年	一年至五年	五年以上	總未貼現 現金流	於報告期末 之賬面值
		%	HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元
At 31 March 2009	於二零零九年三月三十一日									
Non-derivative financial liabilities	非衍生金融負債									
Trade payables	貿易應付款項	-	-	304,908	907,030	299,291	-	-	1,511,229	1,511,229
Other payables and accrued charges	其他應付賬項及應計費用	-	-	131,934	96,610	43,092	-	-	271,636	271,636
Amounts due to minority shareholders of subsidiaries	應付附屬公司少數股東 之款項	-	65,454	-	-	-	-	-	65,454	65,454
Amounts due to shareholders of jointly controlled entities	應付共同控制實體少數股東 的款項	-	34,291	-	-	-	-	-	34,291	34,291
Bank and other borrowings	銀行及其他借貸									
- fixed rate	- 定息	5.99%	-	-	-	2,942,472	2,066,739	3,699,403	8,708,614	7,392,080
- floating rate	- 浮息	6.60%	-	5	498	72,538	582,282	3,151,564	3,806,887	2,905,842
Convertible bonds	可換股債券	4.50%	-	-	-	-	16,157	-	16,157	14,823
Amount due to a minority shareholder of a subsidiary	應付附屬公司少數股東 之款項	2%	-	-	-	7,132	385,118	-	392,250	356,591
			99,745	436,842	1,004,138	3,364,525	3,050,296	6,850,967	14,806,518	12,551,946

The amounts included above for variable rate bank borrowings and derivative financial instrument are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

倘浮動利率的變動有別於報告期末所釐定的估計利率，則以上就浮息銀行借貸及衍生金融工具計及的金額或會改變。

6. Financial Instruments (Continued)**Fair value**

The fair value of financial assets and financial liabilities are determined as follows:

- the fair value of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices;
- the fair value of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis; and
- the fair value of interest rate range accrual swaps as set out in note 30, are calculated using discounted cash flow analysis based on the application yield curve derived from quoted interest rates and quoted spot and forward foreign exchange rates. For an option-based derivative embedded in convertible bonds, the fair value is estimated using option pricing model.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate to their fair values.

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

6. 金融工具(續)**公平值**

金融資產及金融負債之公平值的釐定方法如下：

- 對有標準條款及條件及有活躍市場之金融資產，其公平值乃參考已公布之市場報價釐定；
- 其他金融資產及金融負債(不包括衍生工具)之公平值乃根據公認之定價模式而釐定，並根據現金流量貼現分析；及
- 誠如附註30所載，利率範圍累計掉期之公平值乃採用貼現現金流量分析計算，而貼現現金流量分析乃根據所報利率及所報現貨及遠期匯率所得之應用收益曲線計算。附帶於可換股債券之期權衍生工具之公平值則採用期權定價模式進行估計。

本公司董事認為於財務報表按攤銷成本記錄之金融資產及金融負債之賬面值與其公平值相若。

於綜合財務狀況表確認的公平值計量

下表提供初步以公平值確認後計量的金融工具分析，其按可觀察公平值程度分為一至三級。

- 第一級公平值計量乃自己相同資產或負債於活躍市場中所報未調整價格得出。
- 第二級公平值計量乃除第一級計入的報價外，自資產或負債可直接(即價格)或間接(自價格衍生)觀察輸入數據得出。
- 第三級公平值計量乃計入並非根據可觀察市場數據(無法觀察輸入數據)的資產或負債的估值方法得出。

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6. Financial Instruments (Continued)

Fair value (Continued)

Fair value measurements recognised in the consolidated statement of financial position (Continued)

		2010 二零一零年		Total 總計
		Level 1 第一級	Level 2 第二級	HK\$'000 千港元
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Financial assets at FVTPL	按公平值計入損益的金融資產			
Derivative financial assets	衍生金融資產	–	12,668	12,668
Interest rate range accrual swaps	利率範圍累計掉期			
Held-for-trading investments	持作買賣投資	15,468	–	15,468
Available-for-sale financial assets	可供出售金融資產			
Listed equity securities	上市股本證券	13,230	–	13,230
Unlisted club debentures	非上市會所債券	–	3,494	3,494
Total	總計	28,698	16,162	44,860

There were no transfer between Level 1 and 2 in the current year.

於本年度，第一級與第二級之間並無轉讓。

7. Revenue and Segment Information

Revenue

Revenue mainly represents, the net amounts received and receivable for sales of piped gas and LPG and construction contract revenue from gas connection contracts by the Group for the year and is analysed as follows:

7. 收益及分類資料

收益

收益主要指年內本集團銷售管道燃氣及LPG以及來自燃氣接駁合約之工程合約收入之已收及應收款項淨額，分析如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Sales of piped gas	銷售管道燃氣	3,831,627	2,678,377
Gas connection income	燃氣接駁收入	1,461,573	1,127,403
Sales of LPG	銷售LPG	4,637,924	2,272,173
Sales of coke and gas appliances	銷售燃煤及氣體設備	268,845	235,369
Others	其他	11,990	10,501
		10,211,959	6,323,823

7. Revenue and Segment Information (Continued)

Segment information

The Group has adopted HKFRS 8 "Operating Segments" with effect from 1 April 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. In contrast, the predecessor standard (HKAS 14 "Segment Reporting") required an entity to identify two sets of segment (business and geographical), using a risks and rewards approach. In the past, the Group's primary reporting format was business segments, comprising (i) sales of piped gas; (ii) gas connection; (iii) sales of LPG; (iv) sales of coke and gas appliances and (v) others (mainly represents the property investment). However, for the purpose of resources allocation and assessment of performance, the Group's chief operating decision makers of the Group, the managing directors of the Group are more specifically focused on (i), (ii) and (iii) and (iv). Property investment information is not reported internally to the managing directors of the Group. The Group's operating segments under HKFRS 8 are therefore as follows:

- i) Sales of piped gas;
- ii) Gas connection;
- iii) Sales of LPG; and
- iv) Sales of coke and gas appliance.

Information regarding the above segments is presented below. Amounts reported for the prior period have been restated to conform to the requirements of HKFRS 8.

7. 收益及分類資料(續)

分類資料

本集團自二零零九年四月一日起已採納香港財務報告準則第8號「經營分類」。香港財務報告準則第8號要求以首席營運決策人在分配資源予分類及評估其表現時定期審閱有關本集團組成部分的內部報告，作為識別經營分類的基準。反觀過往準則(香港會計準則第14號「分部報告」)則要求實體採用風險及回報方法以識別兩組分部(業務分部及地區分部)。過往，本集團的主要報告方式為業務分類，包括：(i)管道燃氣銷售；(ii)燃氣接駁；(iii)液化石油氣銷售；(iv)燃煤及氣體設備銷售；及(v)其他(主要指物業投資)。不過，就資源分配及表現評估而言，本集團的首席營運決策人及本集團的董事總經理特別專注(i)、(ii)、(iii)及(iv)。並無向董事總經理作出物業投資資料的內部匯報。因此，本集團根據香港財務報告準則第8號的經營分類如下：

- i) 管道燃氣銷售；
- ii) 燃氣接駁；
- iii) 液化石油氣銷售；及
- iv) 燃煤及氣體設備銷售。

有關以上分類的資料載列如下。就上期間報告的金額已予重列，以符合香港財務報告準則第8號的規定。

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7. Revenue and Segment Information (Continued)

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating segment.

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7. 收益及分類資料(續)

分類收益及業績

本集團按經營分類劃分之收益及業績分析如下：

截至二零一零年三月三十一日止年度

		Sales of piped gas 管道燃氣 銷售 HK\$'000 千港元	Gas connection 燃氣接駁 HK\$'000 千港元	Sales of LPG 液化石油氣 銷售 HK\$'000 千港元	Sales of coke and gas appliances 燃煤及氣體 設備銷售 HK\$'000 千港元	Total 總額 HK\$'000 千港元
SEGMENT REVENUE	分類收益	3,831,627	1,461,573	4,637,924	268,845	10,199,969
SEGMENT PROFIT	分類溢利	662,543	569,940	74,471	10,499	1,317,453
Revenue arising from property investment	物業投資收益					11,990
Interest and other gains	利息及其他收益					49,279
Unallocated corporate expenses	未分配公司開支					(154,946)
Finance costs	財務費用					(522,677)
Change in fair value of investment properties	投資物業公平值變動					44,645
Change in fair value of derivative financial instruments	衍生金融工具公平值變動					372,755
Loss on disposal of jointly controlled entities	出售共同控制實體之虧損					(5,815)
Loss on disposal of an associate	出售聯營公司之虧損					(1,190)
Gain on disposal of a subsidiary	出售附屬公司之收益					141
Discount on acquisition of a jointly controlled entity	收購共同控制實體之折讓					302
Discount on acquisition of businesses	收購業務之折讓					176,085
Share of results of associates	應佔聯營公司之業績					(114,402)
Group's profit before taxation	本集團除稅前溢利					1,173,620
Reconciliation of revenue	收益對賬					HK\$'000 千港元
Total revenue for operating segments	營運分類總收益					10,199,969
Rental income	租金收入					11,990
Group's revenue	集團收益					10,211,959

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7. Revenue and Segment Information (Continued)

Segment revenues and results (Continued)

For the year ended 31 March 2009

		Sales of piped gas 管道燃氣 銷售 HK\$'000 千港元	Gas connection 燃氣接駁 HK\$'000 千港元	Sales of LPG 液化石油氣 銷售 HK\$'000 千港元	Sales of coke and gas appliances 燃煤及氣體 設備銷售 HK\$'000 千港元	Total 分類總額 HK\$'000 千港元
SEGMENT REVENUE	分類收益	2,678,377	1,127,403	2,272,173	235,369	6,313,322
SEGMENT PROFIT (LOSS)	分類溢利(虧損)	430,010	310,578	(3,992)	5,415	742,011
Revenue arising from property investment	物業投資收益					10,501
Interest and other gains	利息及其他收益					125,586
Unallocated corporate expenses	未分配公司開支					(151,419)
Finance costs	財務費用					(409,800)
Change in fair value of investment properties	投資物業公平值變動					5,726
Change in fair value of derivative financial instruments	衍生金融工具公平值變動					(366,320)
Discount on acquisition of a jointly controlled entity	收購共同控制實體之折讓					8,860
Discount on acquisition of an associate	收購聯營公司之折讓					227,402
Share of results of associates	應佔聯營公司之業績					12,884
Group's profit before taxation	本集團除稅前溢利					205,431
Reconciliation of revenue	收益對賬					HK\$'000 千港元
Total revenue for operating segments	營運分類總收益					6,313,322
Rental income	租金收入					10,501
Group's revenue	集團收益					6,323,823

All of the segment revenue reported above is from external customers.

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit (loss) represents the profit earned by or loss from each segment without allocation of bank interest income, property rental income, exchange gain, central administration cost, change in fair value of investment properties, and held-for-trading investment, loss on disposal of an associate, jointly controlled entities, impairment loss recognised on available-for-sale investments, gain on disposal of a subsidiary, change in fair value of derivative financial instruments, discount on acquisition of an associate, a jointly controlled entity and businesses, share of results of associates, finance cost and taxation. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and performance assessment.

7. 收益及分類資料(續)

分類收益及業績(續)

截至二零零九年三月三十一日止年度

		Sales of piped gas 管道燃氣 銷售 HK\$'000 千港元	Gas connection 燃氣接駁 HK\$'000 千港元	Sales of LPG 液化石油氣 銷售 HK\$'000 千港元	Sales of coke and gas appliances 燃煤及氣體 設備銷售 HK\$'000 千港元	Total 分類總額 HK\$'000 千港元
SEGMENT REVENUE	分類收益	2,678,377	1,127,403	2,272,173	235,369	6,313,322
SEGMENT PROFIT (LOSS)	分類溢利(虧損)	430,010	310,578	(3,992)	5,415	742,011
Revenue arising from property investment	物業投資收益					10,501
Interest and other gains	利息及其他收益					125,586
Unallocated corporate expenses	未分配公司開支					(151,419)
Finance costs	財務費用					(409,800)
Change in fair value of investment properties	投資物業公平值變動					5,726
Change in fair value of derivative financial instruments	衍生金融工具公平值變動					(366,320)
Discount on acquisition of a jointly controlled entity	收購共同控制實體之折讓					8,860
Discount on acquisition of an associate	收購聯營公司之折讓					227,402
Share of results of associates	應佔聯營公司之業績					12,884
Group's profit before taxation	本集團除稅前溢利					205,431
Reconciliation of revenue	收益對賬					HK\$'000 千港元
Total revenue for operating segments	營運分類總收益					6,313,322
Rental income	租金收入					10,501
Group's revenue	集團收益					6,323,823

以上所報告的全部分類收入均來自外界客戶。

經營分類的會計政策與附註3所述的本集團會計政策相同。分類溢利(虧損)指各分類賺取的利潤或招致的虧損，並無計及銀行利息收入分配、物業租金收入、匯兌收益、中央行政成本、投資物業公平值變動、持作買賣投資、出售聯營公司及共同控制實體的虧損、就可供出售投資確認的減值虧損、出售附屬公司的收益、衍生金融工具的公平值變動、收購聯營公司、共同控制實體及業務的折讓、應佔聯營公司業績、財務費用及稅項。此乃就資源分配及表現評估而言向首席營運決策人匯報的計量方法。

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7. Revenue and Segment Information (Continued)

Segment assets and liabilities

The following is an analysis of the Group's segment assets and segment liabilities that are regularly reviewed by the chief operating decision maker:

At 31 March 2010

7. 收益及分類資料(續)

分類資產及負債

以下為本集團由首席營運決策人定期檢討的分類資產及分類負債分析：

於二零一零年三月三十一日

		Sales of piped gas 管道燃氣 銷售 HK\$'000 千港元	Gas connection 燃氣接駁 HK\$'000 千港元	Sales of LPG 液化石油氣 銷售 HK\$'000 千港元	Sales of coke and gas appliances 燃煤及氣體 設備銷售 HK\$'000 千港元	Total 總額 HK\$'000 千港元
ASSETS	資產					
Segment assets	分類資產	12,495,032	894,068	3,168,140	191,065	16,748,305
Investment Properties	投資物業					343,158
Property, plant and equipment (for corporate)	物業、廠房及設備(公司)					122,812
Prepaid lease payments (for corporate)	預付租賃款項(公司)					54,692
Interests in associates	於聯營公司的權益					957,709
Available-for-sale investments	可供出售投資					82,838
Deferred tax assets	遞延稅項資產					88,155
Held-for-trading investments	持作買賣投資					15,468
Derivative financial instruments	衍生金融工具					12,668
Other receivables (for corporate)	其他應收賬項(公司)					210,370
Pledged bank deposits	已抵押銀行存款					489,103
Bank balances and cash	銀行結餘及現金					3,872,316
Consolidated total assets	綜合資產總額					22,997,594
LIABILITIES	負債					
Segment liabilities	分類負債	407,159	1,382,981	899,068	193,792	2,883,000
Other payables (for corporate)	其他應付賬項(公司)					562,204
Taxation	稅項					146,162
Bank and other borrowings	銀行及其他借貸					13,316,105
Amount due to a minority shareholder of a subsidiary	應付附屬公司少數股東 款項					356,591
Deferred taxation	遞延稅項					503,295
Consolidated total liabilities	綜合負債總額					17,767,357

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7. Revenue and Segment Information (Continued)

Segment assets and liabilities (Continued)

At 31 March 2009 (restated)

7. 收益及分類資料(續)

分類資產及負債(續)

於二零零九年三月三十一日(重列)

		Sales of piped gas 管道燃氣 銷售 HK\$'000 千港元	Gas connection 燃氣接駁 HK\$'000 千港元	Sales of LPG 液化石油氣 銷售 HK\$'000 千港元	Sales of coke and gas appliance and gas 設備銷售 HK\$'000 千港元	Total 總額 HK\$'000 千港元
ASSETS	資產					
Segment assets	分類資產	9,366,364	776,330	3,033,346	37,000	13,213,040
Investment properties	投資物業					295,127
Property, plant and equipment (for corporate)	物業、廠房及設備(公司)					81,048
Prepaid lease payments (for corporate)	預付租賃款項(公司)					57,011
Interests in associates	於聯營公司的權益					1,000,966
Available-for-sale investments	可供出售投資					41,995
Deferred tax assets	遞延稅項資產					56,890
Held-for-trading investments	持作買賣投資					11,544
Derivative financial instruments	衍生金融工具					1,261
Other receivables (for corporate)	其他應收賬項(公司)					369,410
Pledged bank deposits	已抵押銀行存款					847,759
Bank balances and cash	銀行結餘及現金					2,048,698
Consolidated total assets	綜合資產總額					18,024,749
LIABILITIES	負債					
Segment liabilities	分類負債	279,459	1,132,019	844,799	54,949	2,311,226
Other payables (for corporate)	其他應付賬項(公司)					413,830
Derivative financial instruments	衍生金融工具					360,869
Taxation	稅項					51,733
Bank and other borrowings	銀行及其他借貸					10,297,922
Amount due to a minority shareholder of a subsidiary	應付附屬公司少數股東 款項					356,591
Convertible bonds	可換股債券					14,823
Deferred taxation	遞延稅項					235,627
Consolidated total liabilities	綜合負債總額					14,042,621

For the purposes of monitoring segment performances and allocating resources to the segment:

就監察分類表現及分配予分類的資源而言：

- All assets are allocated to segment other than interests in associates, available-for-sale investments, deferred tax assets, held-for-trading investments, derivative financial instruments, pledged bank deposits and bank balances and cash of the Group, and corporate assets of the Group.
- 所有資產均分配予於聯營公司的權益、可供出售投資、遞延稅項資產、持作買賣投資、衍生金融工具、本集團的已抵押銀行存款及銀行結餘及現金以及本集團公司資產除外的分類。
- All liabilities are allocated to segment other than derivative financial instruments, taxation, bank and other borrowing, amount due to a minority shareholder of a subsidiary, convertible bonds and deferred taxation of the Group, and corporate liabilities of the Group.
- 所有負債均分配予衍生金融工具、稅項、銀行及其他借貸、應付附屬公司少數股東款項、本集團的可換股債券及遞延稅項以及本集團公司負債以外的分類。

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7. Revenue and Segment Information (Continued)

7. 收益及分類資料(續)

Other segment information

其他分類資料

		Sales of piped gas	Gas connection	Sales of LPG 液化石油氣	Sales of coke and gas appliances 燃煤及氣體 設備銷售	Segment total	Unallocated	Consolidated
		管道燃氣銷售 HK\$'000 千港元	燃氣接駁 HK\$'000 千港元	銷售 HK\$'000 千港元	設備銷售 HK\$'000 千港元	分類總額 HK\$'000 千港元	未分配 HK\$'000 千港元	綜合 HK\$'000 千港元
Amounts included in the measure of segment result or segment assets:	包括在計算分類業績或分類資產的金額：							
2010	二零一零年							
Additions of prepaid lease payment	預付租賃款項添置	112,087	-	15,766	-	127,853	-	127,853
Additions to goodwill	商譽添置	181,548	-	34,562	-	216,110	-	216,110
Additions to intangible assets	無形資產添置	954,397	-	-	-	954,397	-	954,397
Additions to property, plant and equipment	物業、廠房及設備添置	2,245,727	-	207,406	-	2,453,133	12,713	2,465,846
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	3,694	-	559	-	4,253	-	4,253
Amortisation of intangible assets	無形資產攤銷	20,019	-	-	-	20,019	-	20,019
Release of prepaid lease payment	發還預付租賃款項	12,772	-	12,895	-	25,667	2,320	27,987
Depreciation of property, plant and equipment	物業、廠房及設備折舊	319,309	-	150,707	-	470,016	4,652	474,668
Impairment losses of amounts due from customers for contract work	應收客戶合約工程款項的減值虧損	-	51,418	-	-	51,418	-	51,418
Allowance for trade receivables	貿易應收賬款撥備	-	75,112	-	-	75,112	-	75,112
2009 (restated)	二零零九年(重列)							
Addition of prepaid lease payment	預付租賃款項添置	48,706	-	433,611	-	482,317	-	482,317
Additions to goodwill	商譽添置	53,688	-	201,357	-	255,045	-	255,045
Additions to intangible assets	無形資產添置	14,161	-	-	-	14,161	-	14,161
Additions to property, plant and equipment	物業、廠房及設備添置	1,626,649	-	2,029,252	-	3,655,901	2,980	3,658,881
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	27,499	-	65	-	27,564	-	27,564
Amortisation of intangible assets	無形資產攤銷	12,685	-	-	-	12,685	-	12,685
Release of prepaid lease payment	發還預付租賃款項	12,358	-	6,480	-	18,838	1,776	20,614
Depreciation of property, plant and equipment	物業、廠房及設備折舊	289,133	-	40,240	-	329,373	4,541	333,914
Impairment losses of amounts due from customers for contract work	應收客戶合約工程款項的減值虧損	-	36,864	-	-	36,864	-	36,864
Allowance for trade receivables	貿易應收賬款撥備	-	53,883	-	-	53,883	-	53,883

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7. Revenue and Segment Information (Continued)

Other segment information (Continued)

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:	向首席營運決策人定期提供但不包括在分類損益計算之內的金額：		
Discounts on acquisition of an associate, a jointly controlled entity and businesses	收購聯營公司、共同控制實體及業務的折讓	176,387	236,262
Share of results of associates	應佔聯營公司業績	(114,402)	12,884

7. 收益及分類資料(續)

其他分類資料(續)

Geographical information

The Group's operations are mainly located in the PRC.

The following table provides an analysis of the Group's revenue by location of external customers:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Hong Kong	香港	960	960
PRC	中國	10,210,999	6,322,863
		10,211,959	6,323,823

地區資料

本集團的業務主要位於中國。

下表提供本集團按外界客戶所在地劃分的收入分析：

None of the customer contributes over 10% of the total revenue of the Group.

The following is the information about non-current assets other than financial instruments and deferred tax assets by the geographical area in which the assets are located:

概無客戶佔本集團總收入10%以上。

以下為按資產所在地地區劃分的非流動資產(金融工具及遞延稅項資產除外)的資料：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (restated) (重列)
Hong Kong	香港	115,664	84,917
PRC	中國	14,659,489	11,555,741
		14,775,153	11,640,658

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8. Other Income

8. 其他收入

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Interest income	利息收入	34,891	59,290
Subsidies from PRC governmental authorities:	中國政府機構之資助：		
– compensation of loss incurred in coal gas operation (note a)	– 煤氣業務引致的虧損的賠償(附註a)	14,395	11,059
– subsidy for replacement of pipelines for natural gas supply (note b)	– 置換天然氣供應管道之資助(附註b)	36,813	32,028
– tax refund (note c)	– 退稅(附註c)	2,813	3,637
Repair and maintenance services fee	維修及保養服務費	9,661	9,318
Other services income	其他服務收入	44,905	14,211
Income from leasing of equipments	來自出租設備之收入	22,291	12,165
Transportation income	運輸收入	52,603	–
Foreign exchange gain	匯兌收益	–	63,366
Compensation income (note d)	賠償收入(附註d)	22,988	–
Others	其他	32,525	20,682
		273,885	225,756

Notes:

附註：

- (a) Pursuant to notice of compensation dated 28 August 2007 issued by the relevant government authority in the PRC, 撫順中燃城市發展有限公司(“撫順中燃”), a subsidiary of the Company, received a compensation from the government authority to subsidise for the increase in cost of sales of natural gas by reference to monthly purchase volume by 撫順中燃 for both years.
- (a) 根據中國有關政府機關於二零零七年八月二十八日發出的賠償通知書，本公司附屬公司撫順中燃城市發展有限公司(「撫順中燃」)有權從政府機關獲得賠償，以補貼天然氣銷售成本增加(參考撫順中燃於該兩個年度之每月購買量)。
- (b) For the year ended 31 March 2010, 撫順中燃 received a subsidy of HK\$26,296,000 (2009: HK\$23,233,000) from 撫順市財政局 for the cost incurred for the setting up of pipeline network for the customers in new urban areas and replacement of old pipeline network of the natural gas users in Fushun city. All the required work has been completed by 撫順中燃. All the costs incurred were recognised as cost of sales in profit or loss during the year. In addition, 淮南中燃城市發展有限公司(“淮南中燃”), a subsidiary of the Company, was entitled to receive subsidies of HK\$10,517,000 for the year (2009: HK\$8,795,000) from 淮南市財政局 for its additional costs incurred in certain gas connection contracts in which the connection fee is fixed by the relevant government authority in the PRC.
- (b) 截至二零一零年三月三十一日止年度，撫順中燃從撫順市財政局獲取一次過的補助26,296,000港元(二零零九年：23,233,000港元)，以資助為撫順市新市區用戶建立管道網及天然氣用戶的舊管道網置換。撫順中燃已完成所有規定工序。所有已動用之成本已於本年度之損益賬中確認為銷售成本。另外，本公司附屬公司淮南中燃城市發展有限公司(「淮南中燃」)從淮南市財政局獲得資助10,517,000港元(二零零九年：8,795,000港元)，以補貼若干接駁燃氣合約(當中的接駁費乃由中國有關政府機關釐定)所產生之額外成本。
- (c) The PRC government authorities have granted a tax incentive to certain subsidiaries in the PRC by way of tax refund for natural gas business operated in the PRC.
- (c) 中國政府機關已授出一項稅務獎勵予若干中國附屬公司，方法為退回在中國經營天然氣業務之稅項。
- (d) During the year, a subsidiary of the Group, 瀋陽中燃城市燃氣發展有限公司(“瀋陽中燃”) received an one-off compensation of HK\$22,988,000 from an independent third party, 瀋陽沈南燃氣有限公司(“瀋陽沈南”). This relates to disputes with 瀋陽沈南 regarding the operating right in a particular area in the PRC. 瀋陽中燃 also agreed to give up the operating right in that particular area.
- (d) 於本年度，本集團附屬公司瀋陽中燃城市燃氣發展有限公司(「瀋陽中燃」)獲獨立第三方瀋陽沈南燃氣有限公司(「瀋陽沈南」)發放一次過賠償22,988,000港元。此乃關於與瀋陽沈南在中國某地區的經營權之間的糾紛。瀋陽中燃亦同意放棄在該地區的經營權。

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9. Other Gains and Losses

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Other gains and losses comprise: 其他收益及虧損包括：			
Loss on disposal of jointly controlled entities (note 44)	出售共同控制實體的虧損 (附註44)	(5,814)	-
Loss on disposal of an associate (note 20)	出售聯營公司的虧損 (附註20)	(1,190)	-
Gain on disposal of a subsidiary (note 43)	出售附屬公司的收益 (附註43)	141	-
Change in fair value of investment properties	投資物業的公平值變動	44,645	5,726
Change in fair value of held-for-trading investments	持作買賣投資的公平值變動	11,798	(23,843)
Impairment loss recognised on available-for-sale investments	就可供出售投資確認的減值虧損	-	(14,947)
Impairment loss on amounts due from customers for contract work (note 27)	應收客戶合約工程款項的減值虧損(附註27)	(51,418)	(36,864)
Allowance for trade and other receivables (note 28)	貿易應收賬款及其他應收賬項撥備(附註28)	(75,112)	(53,883)
Change in fair value of derivative financial instruments (note 29)	衍生金融工具的公平值變動(附註29)	372,755	(366,320)
		295,805	(490,131)

9. 其他收益及虧損

10. Finance Costs

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Interest on: 以下項目之利息：			
Bank loans and other borrowings wholly repayable within five years	須於五年內全數償還之銀行貸款及其他借貸	212,909	192,295
Bank loans and other borrowings not wholly repayable within five years	毋須於五年內全數償還之銀行貸款及其他借貸	278,393	292,683
Convertible bonds (note 38)	可換股債券(附註38)	39	645
		491,341	485,623
Net interest expense on interest rate swaps	利率掉期合約之淨利息開支	111,032	23,649
Interest capitalised to construction in progress	撥充在建工程成本之利息	(79,696)	(99,472)
		522,677	409,800

10. 財務費用

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11. Discounts on acquisition of an associate, a jointly controlled entity and businesses

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Discount on acquisition of an associate (note 20)	收購聯營公司之折讓 (附註20)	-	227,402
Discount on acquisition of a jointly controlled entity (note 41)	收購共同控制實體之折讓 (附註41)	302	8,860
Discount on acquisition of businesses (note 42(A)(vii))	收購業務之折讓 (附註42(A)(vii))	176,085	-
		176,387	236,262

11. 收購聯營公司、共同控制實體及業務之折讓

12. Taxation

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
PRC Enterprise Income Tax	中國企業所得稅	192,985	98,696
Deferred taxation (note 39)	遞延稅項 (附註39)	(34,866)	(27,224)
		158,119	71,472

12. 稅項

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group had no assessable profit derived in Hong Kong for both years.

Taxation arising in other jurisdictions in the PRC is calculated at the rates prevailing in the relevant jurisdictions.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

Pursuant to the relevant laws and regulations in the PRC, certain PRC subsidiaries of the Company are exempted from PRC Enterprise Income Tax for the first two years commencing from their first profit-making year of operation and thereafter, these PRC entities will be entitled to a 50% relief from PRC Enterprise Income Tax for the following three years ("Tax preference"). The reduced tax rate for the relief period is ranging from 7.5% to 16.5%. The charge of PRC Enterprise Income Tax for the years has been provided for after taking these tax incentives into account.

由於本集團於該兩個年度無於香港產生應課稅溢利，故並未於綜合財務報表就香港利得稅作出撥備。

中國及其他地區之稅項乃按有關地區之適用稅率計算。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施細則，自二零零八年一月一日起，中國附屬公司之稅率為25%。

根據中國有關法律及法規，本公司若干中國附屬公司於首次獲得盈利年度後首兩年內獲豁免中國企業所得稅，其後之三年內，該等中國集團實體將獲寬減50%之中國企業所得稅(「稅務優惠」)。寬減期內之已削減稅率介乎7.5%至16.5%。經考慮稅務優惠後，該等年度之中國企業所得稅收費已作出撥備。

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12. Taxation (Continued)

The taxation for the year can be reconciled to the profit (loss) before taxation per the consolidated statement of comprehensive income as follows:

12. 稅項(續)

年度稅項與綜合全面收入報表所示之除稅前溢利(虧損)之對賬如下：

		Hong Kong		PRC		Total	
		香港		中國		總計	
		2010	2009	2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年	二零一零年	二零零九年
		HK\$'000	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	千港元
Profit (loss) before taxation	除稅前溢利(虧損)	95,670	(587,991)	1,077,950	793,422	1,173,620	205,431
Tax at the domestic income tax rate	按本地所得稅率計算之稅項	15,786	(97,019)	269,487	198,356	285,273	101,337
Tax effect of share of results of associates	應佔聯營公司業績之稅項影響	-	-	28,601	(3,221)	28,601	(3,221)
Tax effect of expenses not deductible for tax purpose	就稅項而言不可扣減之開支之稅項影響	25,694	65,884	17,859	25,858	43,553	91,742
Tax effect of income not taxable for tax purpose	就稅項而言毋須課稅之收入之稅項影響	(61,548)	(147)	(57,603)	(69,837)	(119,151)	(69,984)
Tax effect of estimated tax losses not recognised	並無確認之估計稅項虧損之稅項影響	20,068	31,282	176,966	34,094	197,034	65,376
Tax effect of income tax at concessionary rate	按優惠稅率計算所得稅之稅項影響	-	-	(277,191)	(113,778)	(277,191)	(113,778)
Taxation	稅項	-	-	158,119	71,472	158,119	71,472

Note: The applicable tax rate for Hong Kong and PRC are 16.5% (2009: 16.5%) and 25% (2009: 25%) respectively.

附註：香港及中國之適用稅率分別為16.5%（二零零九年：16.5%）及25%（二零零九年：25%）。

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13. Profit for the Year

13. 本年度溢利

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Profit for the year has been arrived at after charging (crediting):	本年度溢利已扣除 (計入) 下列各項 :		
Auditor's remuneration	核數師酬金	5,500	5,500
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	474,668	333,914
Release of prepaid lease payments	發還預付租賃款項	27,987	20,614
Amortisation of intangible assets included in cost of sales	包括於銷售成本內之無形資產攤銷	20,019	12,685
Minimum lease payments for operating leases in respect of:	經營租約之最低租金 :		
– rented premises	– 租賃物業	61,611	19,037
– equipments	– 設備	24,279	55,087
		85,890	74,124
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	4,253	27,564
Share of tax of associates (included in share of results of associates)	應佔聯營公司稅項 (包括在應佔聯營公司業績內)	4,175	2,286
Staff costs:	員工成本 :		
Directors' emoluments (note 14)	董事酬金 (附註14)	27,719	26,722
Salaries and allowances of other staffs	其他僱員之薪酬及津貼	362,686	300,697
Contributions to retirement benefit scheme contributions of other staffs	為其他僱員向退休福利計劃供款	68,072	58,449
Less: amount capitalised in construction in progress	減: 撥充在建工程成本之金額	(24,889)	(17,546)
		433,588	368,322

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13. Profit for the Year (Continued)

13. 本年度溢利(續)

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Cost of inventories recognised as expenses in respect of:	就以下項目已確認為開支之存貨成本：		
Sales of piped gas	銷售管道燃氣	2,771,000	1,768,878
Sales of LPG	銷售LPG	4,042,734	1,966,301
Contract costs recognised as expense in respect of gas connection construction contracts	就燃氣接駁工程合約確認為開支之合約成本	439,402	269,215
Sales of coke and gas appliances	銷售燃煤及氣體設備	219,496	196,654
		7,472,632	4,201,048
Rental income from investment properties less outgoings of HK\$1,671,000 (2009: HK\$1,496,000)	投資物業產生之租金收入減支銷1,671,000港元(二零零九年：1,496,000港元)	(10,319)	(9,005)

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14. Emoluments of Directors and Employees

Directors

The emoluments paid or payable to each of the 13 (2009: 14) directors were as follow:

2010

二零一零年

14. 董事及僱員酬金

董事

已付或應付各13名(二零零九年: 14名)董事之酬金如下:

		Directors' fees	Salaries and other benefits	Performance related incentive payments	Share-based payments	Contributions to retirement benefits	Total emoluments
		HK\$'000	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	千港元
				(Note) (附註)			
Executive directors	執行董事						
Mr. Li Xiao Yun	李小雲先生	3,000	-	-	138	-	3,138
Mr. Xu Ying	徐鷹先生	-	7,188	2,679	-	12	9,879
Mr. Liu Ming Hui	劉明輝先生	-	7,188	5,358	-	12	12,558
Mr. Ma Jin Long	馬金龍先生	-	300	-	-	-	300
Mr. Zhu Wei Wei	朱偉偉先生	-	468	160	-	12	640
Non-executive directors	非執行董事						
Mr. Feng Zhuo Zhi	馮卓志先生	120	-	-	-	-	120
Mr. R.K. Goel	R.K. Goel先生	-	-	-	-	-	-
Mr. Kim Joong Ho	金重皓先生	120	-	-	-	-	120
Mr. Rackets William Hugh	Rackets William Hugh先生	124	-	-	-	-	124
Mr. Jo Yamagata	山縣丞先生	120	-	-	-	-	120
Independent non-executive directors	獨立非執行董事						
Mr. Zhao Yu Hua	趙玉華先生	240	-	-	-	-	240
Dr. Mao Er Wan	毛二萬博士	240	-	-	-	-	240
Ms. Wong Sin Yue, Cynthia	黃倩如女士	240	-	-	-	-	240
		4,204	15,144	8,197	138	36	27,719

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14. Emoluments of Directors and Employees (Continued) 14. 董事及僱員酬金(續)

Directors (Continued)

董事(續)

2009

二零零九年

		Directors' fees	Salaries and other benefits 薪金及其他福利	Performance related incentive payments 業績掛鈎獎金	Share-based payments 以股份形式付款	Contributions to retirement benefits scheme 退休福利計劃供款	Total emoluments 酬金總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note) (附註)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive directors	執行董事						
Mr. Li Xiao Yun	李小雲先生	3,000	-	-	138	-	3,138
Mr. Xu Ying	徐鷹先生	-	7,188	2,395	-	12	9,595
Mr. Liu Ming Hui	劉明輝先生	-	7,188	4,791	-	12	11,991
Mr. Ma Jin Long	馬金龍先生	-	165	-	-	-	165
Mr. Zhu Wei Wei	朱偉偉先生	-	628	-	-	12	640
Non-executive directors	非執行董事						
Mr. Feng Zhuo Zhi	馮卓志先生	120	-	-	-	-	120
Mr. Mark Gelinás*	Mark Gelinás先生*	120	-	-	-	-	120
Mr. R.K. Goel	R.K. Goel先生	30	-	-	-	-	30
Mr. Kim Joong Ho	金重皓先生	83	-	-	-	-	83
Mr. Rackets William Hugh	Rackets William Hugh先生	-	-	-	-	-	-
Mr. Jo Yamagata	山縣丞先生	120	-	-	-	-	120
Independent non-executive directors	獨立非執行董事						
Mr. Zhao Yu Hua	趙玉華先生	240	-	-	-	-	240
Dr. Mao Er Wan	毛二萬博士	240	-	-	-	-	240
Ms. Wong Sin Yue, Cynthia	黃倩如女士	240	-	-	-	-	240
		4,193	15,169	7,186	138	36	26,722

* The director resigned on 20 March 2009.

* 董事已於二零零九年三月二十日辭任。

Note: The performance related incentive payments of Mr. Xu Ying and Mr. Liu Ming Hui are determined by reference to the Group performance and according to pre-determined percentage approved by the Remuneration Committee, while that of Mr. Zhu Wei Wei is determined by reference to the individual performance and approved by Remuneration Committee.

附註：徐鷹先生及劉明輝先生之業績掛鈎獎金由薪酬委員會參考本集團之表現及根據所批核之預定百分比後釐定，而朱偉偉先生之業績掛鈎獎金則由薪酬委員會參考其個人表現後批出。

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14. Emoluments of Directors and Employees (Continued) 14. 董事及僱員酬金(續)

Employees

Of the five individuals with the highest emoluments in the Group, three (2009: three) were directors of the Company whose emoluments are included in the disclosures above. The emoluments of the remaining two (2009: two) individuals were as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	10,195	10,845
Retirement benefit scheme contributions	退休福利計劃供款	24	24
		10,219	10,869

Their emoluments were within the following bands:

彼等之酬金範圍如下：

		2010 二零一零年 No. of employee 僱員人數	2009 二零零九年 No. of employee 僱員人數
HK3,000,001 to HK3,500,000	3,000,001港元至3,500,000港元	1	–
HK\$3,500,001 to HK\$4,000,000	3,500,001港元至4,000,000港元	–	1
HK\$6,500,001 to HK7,000,000	6,500,001港元至7,000,000港元	1	–
HK\$7,000,001 to HK\$7,500,000	7,000,001港元至7,500,000港元	–	1

15. Dividends

15. 股息

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Final dividend paid in respect of financial year ended 31 March 2009 of HK\$0.014 (2009: HK\$0.012 in respect of financial year ended 31 March 2008) per share	已付截至二零零九年三月三十一日止財政年度每股0.014港元(二零零九年：已付截至二零零八年三月三十一日止財政年度每股0.012港元)之末期股息	46,676	39,997

A final dividend of HK\$0.017 in respect of the year ended 31 March 2010 (2009: final dividend of HK\$0.014 in respect of the year ended 31 March 2009) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

董事已建議派發截至二零一零年三月三十一日止年度每股0.017港元(二零零九年：截至二零零九年三月三十一日止年度每股0.014港元)之末期股息，建議須經股東於應屆股東週年大會上通過方可作實。

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16. Earnings per Share

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

16. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃按下列資料計算：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Earnings for the purposes of basic and diluted earnings per share, being profit for the year attributable to owners of the Company	計算每股基本及攤薄盈利之盈利（即本公司擁有人應佔本年度溢利）	875,636	103,679
		2010 二零一零年 '000 千股	2009 二零零九年 '000 千股
Weighted average number of ordinary shares for the purpose of basic earnings per share	計算每股基本盈利之普通股加權平均數	3,343,913	3,333,233
Adjustment for effect of dilutive potential ordinary shares: Share options (note a)	普通股潛在攤薄之影響調整：購股權（附註a）	1,074,507	204,537
Weighted average number of ordinary shares for the purpose of diluted earnings per share	計算每股攤薄盈利之普通股加權平均數	4,418,420	3,537,770

Notes:

- (a) During the year ended 31 March 2009, the computation of diluted earnings per share does not take into account the effects of the options with anti-dilutive effect.
- (b) During the year ended 31 March 2009, the computation of diluted earnings per share does not assume the conversion of convertible bonds as the assumed conversion would result in an increase in earnings per share.

All outstanding convertible bonds were converted during the year ended 31 March 2010. The impact on diluted earnings per share on assumed conversion is not considered significant and therefore has not been accounted for in the calculation.

附註：

- (a) 截至二零零九年三月三十一日止年度，計算每股攤薄盈利並無計及具反攤薄影響之購股權影響。
- (b) 截至二零零九年三月三十一日止年度，每股攤薄盈利的計算並無假設轉換可換股債券，原因是假設轉換將導致每股盈利增加。

所有尚未轉換之可換股債券已於截至二零一零年三月三十一日止年度獲轉換。由於假設轉換對每股攤薄盈利之影響不大，故並無包括在計算內。

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17. Investment Properties

17. 投資物業

		HK\$'000 千港元
At 1 April 2008	於二零零八年四月一日	219,100
Acquired on acquisition of business (note 42(B)(i))	於收購業務時獲得 (附註42(B)(i))	70,301
Change in fair value	公平值變動	5,726
At 31 March 2009	於二零零九年三月三十一日	295,127
Acquired on acquisition of additional interest of a jointly controlled entity (note 41(A))	於收購共同控制實體額外 權益時獲得(附註41(A))	3,386
Change in fair value	公平值變動	44,645
At 31 March 2010	於二零一零年三月三十一日	343,158

The Group's investment properties are analysed as follows:

本集團之投資物業分析如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Properties held under medium term leases:	按中期租約持有之物業：		
– in Hong Kong	– 位於香港	78,420	56,400
– in the PRC	– 位於中國	264,738	238,727
		343,158	295,127

The fair value of the Group's investment properties in Hong Kong at 31 March 2010 has been arrived at on the basis of a valuation carried out as at that date by LCH (Asia-Pacific) Surveyors Limited. The resulting surplus of HK\$22,020,000 (2009: deficit of HK\$1,700,000) was included in consolidated statement of comprehensive income. The valuation was arrived at by reference to comparable market transactions for similar properties.

本集團位於香港之投資物業於二零一零年三月三十一日之公平值乃根據駿利行測量師有限公司於該日進行之估值達致。由此產生之22,020,000港元盈餘(二零零九年：虧絀1,700,000港元)已列入綜合全面收入報表。估值已參考類似物業之可比市場交易。

The fair value of the Group's investment properties in the PRC has been arrived at on the basis of a valuation carried out at these dates by CB Richard Ellis Limited. The resulting surplus of HK\$22,625,000 (2009: surplus of HK\$7,426,000) was credited to consolidated statement of comprehensive income. The valuation was arrived at by reference to standard land prices set by the PRC government and comparable market transactions as available in the locality.

本集團位於中國之投資物業之公平值乃根據世邦魏理仕有限公司於該等日期進行之估值達致。由此產生之22,625,000港元(二零零九年：盈餘7,426,000港元)之盈餘已列入綜合全面收入報表。估值已參考中國政府設定之標準地價及當地可得之可比市場交易。

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

本集團全部根據經營租約持有以賺取租金或作為資本增值之物業權益乃以公平值模式測量及歸類及入賬記作投資物業。

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18. Property, Plant and Equipment

18. 物業、廠房及設備

		Leasehold	Construction		Machinery	Furniture	Motor	Vessels	Total
		land and buildings			Pipelines	and equipment			
		租賃土地及樓宇	管道	在建工程	機器及設備	傢俬及固定裝置	汽車	船舶	總計
		HK\$'000	HK\$'000	HK\$'000	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	千港元	千港元	千港元
COST	成本								
At 1 April 2008	於二零零八年四月一日	450,129	3,403,090	1,399,851	515,298	31,127	126,058	-	5,925,553
Additions	添置	13,691	137,488	1,247,394	90,602	30,157	38,094	-	1,557,426
Acquired on acquisition of subsidiaries	收購附屬公司所得	550	-	28,802	-	78	411	-	29,841
Acquired on acquisition of a jointly controlled entity	收購共同控制實體所得	1,537	33,485	-	757	25	33	-	35,837
Acquired on acquisition of businesses	收購業務所得	697,476	231,851	201,104	848,902	35,893	20,551	-	2,035,777
Disposals	出售	(45,850)	-	-	(8,592)	(1,467)	(6,731)	-	(62,640)
Reclassification	重新分類	24,959	927,741	(997,509)	44,809	-	-	-	-
Exchange realignment	匯兌調整	27,201	124,839	70,995	52,093	2,623	5,633	-	283,384
At 31 March 2009 as restated (重列)	於二零零九年三月三十一日	1,169,693	4,858,494	1,950,637	1,543,869	98,436	184,049	-	9,805,178
Additions	添置	63,019	19,173	1,077,523	29,115	32,039	42,162	-	1,263,031
Acquired on acquisition of businesses	收購業務所得	82,309	609,460	307,782	46,491	5,001	7,703	127,775	1,186,521
Acquired on acquisition of additional interest in a jointly controlled entity	收購共同控制實體額外權益所得	968	3,961	11,198	41	31	95	-	16,294
Disposal for the year	年內出售	(2,499)	(7,814)	-	(1,263)	(1,281)	(6,845)	-	(19,702)
Disposal of jointly controlled entities	出售共同控制實體	-	(2,436)	(25,906)	(21,839)	(350)	-	-	(50,531)
Disposal of a subsidiary	出售附屬公司	-	-	-	-	(27)	-	-	(27)
Reclassification	重新分類	147,767	662,854	(955,996)	145,375	-	-	-	-
At 31 March 2010	於二零一零年三月三十一日	1,461,257	6,143,692	2,365,238	1,741,789	133,849	227,164	127,775	12,200,764
DEPRECIATION AND IMPAIRMENT	折舊及減值								
At 1 April 2008	於二零零八年四月一日	29,542	175,740	-	103,622	11,400	38,973	-	359,277
Provided for the year	年內撥備	43,999	162,685	-	96,023	10,505	20,702	-	333,914
Eliminated on disposals	出售後撇除	(24,489)	-	-	(4,288)	(1,295)	(3,468)	-	(33,540)
Exchange realignment	匯兌調整	1,701	6,216	-	3,629	439	1,265	-	13,250
At 31 March 2009	於二零零九年三月三十一日	50,753	344,641	-	198,986	21,049	57,472	-	672,901
Provided for the year	年內撥備	44,440	231,979	-	79,339	25,918	72,644	20,348	474,668
Eliminated on disposals	出售後撇除	(2,064)	(1,249)	-	(167)	(618)	(5,182)	-	(9,280)
Eliminated on disposal of jointly controlled entities	出售共同控制實體後撇除	-	(148)	-	(1,511)	(202)	-	-	(1,861)
Eliminated on disposal of a subsidiary	出售附屬公司後撇除	-	-	-	-	(1)	-	-	(1)
At 31 March 2010	於二零一零年三月三十一日	93,129	575,223	-	276,647	46,146	124,934	20,348	1,136,427
CARRYING VALUES	賬面值								
At 31 March 2010	於二零一零年三月三十一日	1,368,128	5,568,469	2,365,238	1,465,142	87,703	102,230	107,427	11,064,337
At 31 March 2009 as restated (重列)	於二零零九年三月三十一日	1,118,940	4,513,853	1,950,637	1,344,883	77,387	126,577	-	9,132,277

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18. Property, Plant and Equipment (Continued)

The carrying value of land and buildings of the Group shown above is situated on land with the following lease terms:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
In Hong Kong	於香港		
Long lease	長期租約	7,795	6,080
In PRC	於中國		
Long lease	長期租約	340,083	278,215
Medium term lease	中期租約	1,020,250	834,645
		1,368,128	1,118,940

The pipelines of the Group are located in the PRC.

The above items of property, plant and equipment other than construction in progress are depreciated on a straight-line basis at the following rates per annum:

Leasehold land and buildings	Over the shorter of the remaining terms of the leases or 50 years
Pipelines	Over the shorter of 30 years or the operation period of the relevant company
Machinery and equipment	5% – 10%
Furniture and fixtures	15% – 50%
Motor vehicles	25%
Vessels	7% (new vessels acquired from suppliers) or 34% (acquired from second hand market)

At 31 March 2010, interest capitalised in construction in progress amounted to HK\$79,696,000 (2009: HK\$99,472,000).

As at 31 March 2010, the Group is in the process of obtaining title deeds from relevant government authorities for its land and buildings in the PRC amounting to HK\$105,497,000 (2009: HK\$64,411,000). In the opinion of the directors, the Group is not required to incur additional cost in obtaining the title deeds for its land and buildings in the PRC.

At 31 March 2010, the directors of the Company considered that the leasehold land element of the buildings with the carrying value of HK\$51,906,000 (2009: HK\$49,324,000) cannot be separately identified.

18. 物業、廠房及設備

本集團位於上述土地之租賃土地及樓宇之賬面值及有關租期如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
In Hong Kong	於香港		
Long lease	長期租約	7,795	6,080
In PRC	於中國		
Long lease	長期租約	340,083	278,215
Medium term lease	中期租約	1,020,250	834,645
		1,368,128	1,118,940

本集團之輸氣管道位於中國。

上述物業、廠房及設備項目(不包括在建工程)乃按直線法則依下列每年比率折舊：

租賃土地及樓宇	租約餘下年期或50年兩者中較短者
管道	按30年或有關公司之經營年期兩者中較短者
機器及設備	5% – 10%
傢俬及固定裝置	15% – 50%
汽車	25%
船舶	7%(從供應商購入之新船舶)或34%(從二手市場購入)

於二零一零年三月三十一日，撥充在建工程資本化之利息為79,696,000港元(二零零九年：99,472,000港元)。

於二零一零年三月三十一日，本集團正就其價值105,497,000港元(二零一零年：64,411,000港元)位於中國之土地及樓宇，從有關政府機關獲取所有權契約。董事認為，本集團不會因獲取中國土地及樓宇之所有權契約而產生額外成本。

於二零一零年三月三十一日，本公司董事認為賬面值51,906,000港元(二零零九年：49,324,000港元)該等樓宇之租賃土地部分無法分開識別。

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19. Prepaid Lease Payments

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
The Group's prepaid lease payments comprise:	本集團之預付租賃款項包括：		
Leasehold land in Hong Kong	於香港之租賃土地		
Long lease	長期租約	20,468	21,994
Leasehold land in the PRC	於中國之租賃土地		
Long lease	長期租約	519,726	532,700
Medium term lease	中期租約	444,920	330,554
		985,114	885,248
Analysed for reporting purposes as:	就申報目的之分析：		
Non-current portion	非即期部分	957,655	869,075
Current portion	即期部分	27,459	16,173
		985,114	885,248

The leasehold land and land use rights are charged to consolidated statement of comprehensive income on a straight-line basis over the term of the leases.

During the year, the Group is in the process of obtaining title deeds from relevant government authorities for its prepaid lease payments in the PRC amounting to HK\$86,275,000 (2009: HK\$73,425,000). In the opinion of the directors, the Group is not required to incur additional cost in obtaining the title deeds for its prepaid lease payments in the PRC.

19. 預付租賃款項

租賃土地及土地使用權以直線法按租賃年期計入全面收入報表。

年內，本集團正就其價值86,275,000港元（二零零九年：73,425,000港元）位於中國之預付租賃款項，從有關政府機關獲取所有權契約。董事認為，本集團不會因獲取中國預付租賃款項之所有權契約而產生額外成本。

20. Interests in Associates

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (restated) (重列)
Cost of investments in associates – unlisted	投資於聯營公司之成本 – 非上市	684,208	612,791
Share of pre-acquisition dividend	分佔收購前股息	(1,296)	(1,296)
Share of post-acquisition profit and other comprehensive income (net of dividend received)	分佔收購後溢利及其他全面收入（扣除所收股息）	41,827	156,501
Discount on acquisition of associates	收購聯營公司之折讓	232,970	232,970
		957,709	1,000,966

20. 於聯營公司之權益

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20. Interests in Associates (Continued)

The Group had interests in the following associates:

20. 於聯營公司之權益(續)

本集團於以下聯營公司擁有權益：

Name of entity 實體名稱	Form of business structure 業務架構形式	Place of registration/ incorporation 註冊/成立 地點	Principal place of operation 主要營業 地點	Class of capital 股本類別	Proportion of nominal value of registered/issued capital held by the Group 本集團所持註冊/已發行股本 面值比例		Principal activities 主要業務
					2010 二零一零年 %	2009 二零零九年 %	
北京宏達斯特燃氣技術開發公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	22.10	22.10	Trading of natural gas 天然氣銷售
北京華昊恒通有限責任公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	- (note d) (附註d)	19.60 (note a) (附註a)	Trading of natural gas 天然氣銷售
重慶市川東燃氣工程建設有限公司 ("川東燃氣")	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	44.00	44.00	Trading of natural gas, gas pipeline construction 天然氣銷售、燃氣管道建設
重慶鼎發實業股份有限公司 ("重慶鼎發")	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	38.69	38.69	Exploration, collection transportation, purification and sales of natural gas 勘探、收集、運輸、淨化及出售天然氣
重慶市渝北區佳渝天然氣有限公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	47.83	47.83	Trading of natural gas 天然氣銷售
哈爾濱中慶燃氣有限責任公司 ("哈爾濱中慶")	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	48.00	48.00	Trading of nature gas and gas pipeline construction 天然氣銷售及燃氣管道建設
福安市三誠液化氣有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	33.20	33.20	Trading of LPG 銷售LPG
福建省晉江厦華石化有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	29.05	29.05	Refining process, storage or LPG 提煉過程、貯存或LPG
上海中油國電油品有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	41.50	41.50	Sales of fuel oil (except hazardous products), instruments, mechanical and electrical facilities, construction materials 燃油(不包括危險品)、工具、機電設施、建築材料銷售
上海華辰船務有限公司 ("上海華辰")	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	- (note c) (附註c)	16.60 (note b) (附註b)	Shipping delivery services, technical development, providing consultancy services and agent of delivery 航運服務、技術開發、提供顧問服務及運輸代理

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20. Interests in Associates (Continued)

20. 於聯營公司之權益(續)

Name of entity 實體名稱	Form of business structure 業務架構形式	Place of registration/ incorporation 註冊/成立地點	Principal place of operation 主要營業地點	Class of capital 股本類別	Proportion of nominal value of registered/issued capital held by the Group 本集團所持註冊/已發行股本面值比例		Principal activities 主要業務
					2010 二零一零年 %	2009 二零零九年 %	
湖北能源集團鄂東天然氣有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	25.00	-	Trading of natural gas, gas pipeline construction 天然氣銷售及燃氣管道建設
福州安然居管道燃氣有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	24.00	-	Trading of natural gas, gas pipeline construction 天然氣銷售及燃氣管道建設
德化廣安天然氣有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	24.00	-	Trading of natural gas 天然氣銷售
廈門嘉安燃氣有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	24.00	-	Trading of natural gas 天然氣銷售

Notes:

附註：

- | | |
|--|---|
| <p>(a) The Group is able to exercise significant influence over this company because it has the power to appoint two out of the six directors of that company under the provisions stated in the Articles of Association of that Company.</p> | <p>(a) 本集團可對該公司行使重大影響力，原因為本集團有權根據該公司之公司細則所述條文委任該公司六名董事之中兩名。</p> |
| <p>(b) At 31 March 2010, 20% equity interest of 上海華辰 was held by a non-wholly owned subsidiary of which the Group held 83% equity interest on it. The Group is able to exercise significant influence over this company because it has the power to appoint one out of the three directors of that company under the provisions stated in the Articles of Association of that Company.</p> | <p>(b) 於二零一零年三月三十一日，上海華辰20%股權由一家非全資附屬公司持有，據此本集團持有當中83%股權。本集團可對該公司行使重大影響力，原因為本集團有權根據該公司之公司細則所述條文委任該公司三名董事之中一名。</p> |
| <p>(c) During the year, a non-wholly owned subsidiary of the Group has acquired 80% additional equity interest in 上海華辰 and was classified as a subsidiary upon completion of acquisition. The details were set out in Note 42(A)(ii).</p> | <p>(c) 年內，本集團之非全資附屬公司額外收購上海華辰80%股權，並於收購完成時分類為附屬公司。有關詳情載於附註42(A)(ii)。</p> |
| <p>(d) On 23 December 2009, the Group has entered into an agreement with an independent third party to dispose of Group's 19.60% interest in 北京華昊恒通有限責任公司 at a consideration of HK\$330,000, leading to a loss on disposal of HK\$1,190,000 recognised in the consolidated statement of comprehensive income.</p> | <p>(d) 於二零零九年十二月二十三日，本集團與獨立第三方訂立協議，按代價330,000港元出售本集團所持北京華昊恒通有限責任公司19.60%股權，導致於綜合全面收入報表確認出售虧損1,190,000港元。</p> |

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20. Interests in Associates (Continued)

During the year ended 31 March 2009, a discount on acquisition of HK\$227,402,000 arose on the acquisition of 哈爾濱中慶 and had been included in consolidated statement of comprehensive income. The interest in 哈爾濱中慶 as acquired by the Group was previously owned by 哈爾濱市人民政府國有資產監督管理委員會. The acquisition of 哈爾濱中慶 was acquired as a result of a tender in August 2007 to 哈爾濱產權交易中心. The Directors consider that the sale of the 48% equity interests in 哈爾濱中慶 by 哈爾濱市人民政府國有資產監督管理委員會 was made with an intention of bringing in foreign capital and expertise in the operation and management of natural gas projects in the PRC which is in line with the national policy in the PRC.

Summarised financial information in respect of the Group's associates is set out below:

20. 於聯營公司之權益(續)

截至二零零九年三月三十一日止年度，收購川哈爾濱中慶而產生之227,402,000港元收購折讓已計入綜合全面收入報表。本集團所收購之哈爾濱中慶權益先前由哈爾濱市人民政府國有資產監督管理委員會擁有。由於二零零七年八月向哈爾濱產權交易中心呈交一份標書，故對哈爾濱中慶進行收購。董事認為，哈爾濱市人民政府國有資產監督管理委員會出售哈爾濱中慶48%股本權益旨在引入外資以及經營及管理中國天然氣項目之專長，與中國國家政策相符。

本集團之聯營公司之財務資料概要載列如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (restated) (重列)
Total assets	資產總值	4,060,486	4,273,480
Total liabilities	負債總額	(1,864,661)	(2,023,824)
Net assets	資產淨值	2,195,825	2,249,656
The Group's share of associates' net assets	本集團分佔聯營公司之資產淨值	957,709	1,000,966
Revenue	收益	1,245,587	674,251
Change in fair value of investment properties	投資物業之公平值變動	-	(11,306)
Loss on disposal of a subsidiary (note)	出售附屬公司之虧損(附註)	(281,195)	-
(Loss) profit for the year	年內(虧損)溢利	(256,842)	6,517
The Group's share of results of associates for the year	本集團分佔聯營公司本年度業績	(114,402)	12,884

Note: During the year ended 31 March 2010, a loss on disposal of HK\$281,195,000 was arisen on the disposal of a subsidiary of 川東燃氣, namely 湖北康樂苑發展有限公司. The amount has been included as loss in the determination of the Group's share of results of associates.

附註：截至二零一零年三月三十一日止年度，因出售川東燃氣附屬公司湖北康樂苑發展有限公司而產生之虧損為281,195,000港元。該金額已於釐定本集團應佔聯營公司業績時入賬列作虧損。

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21. Investments in Jointly Controlled Entities

As at 31 March 2010 and 2009, the Group had interests in the following significant jointly controlled entities:

21. 於共同控制實體之投資

於二零一零年及二零零九年三月三十一日，本集團於以下重大共同控制實體中擁有權益：

Name of entity 實體名稱	Form of business structure 業務架構形式	Place of registration/ incorporation 註冊/成立 地點	Principal place of operation 主要營業 地點	Class of capital 股本類別	Proportion of nominal value of registered/ issued capital held by the Group 本集團所持註冊/已發行股本面值比例		Principal activity 主要業務
					2010 二零一零年 %	2009 二零零九年 %	
北京京港燃氣有限公司 Beijing Jinggang Gas Development Company Limited*	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	49.0	49.0	Trading of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
柳州中燃城市燃氣有限公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	50.0	50.0	Trading of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
揚州中燃城市燃氣發展有限公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	50.0	50.0	Trading of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
呼和浩特中燃城市燃氣發展有限公司 ("呼和浩特")	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	51.0 (note a) (附註a)	50.0	Trading of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
德州中燃城市燃氣發展有限公司 ("德州中燃")	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	49.0	49.0	Trading of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
蕪湖中燃新福利汽車燃氣有限公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	50.0	50.0	Nature gas refill service and gas station administration 天然氣加氣服務及管理加氣站
重慶鼎旺化工有限公司 ("重慶鼎旺")	Equity joint venture 合資企業	PRC 中國	PRC 中國	Registered 註冊	- (note b) (附註b)	49.0	Purifying technology service of natural gas 天然氣淨化技術服務
China Gas - SK Energy Holdings Company Limited ("China Gas -SK Energy")	Incorporated 註冊成立	Hong Kong 香港	Hong Kong 香港	Ordinary 普通	50.0	50.0	Trading of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設

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21. Investments in Jointly Controlled Entities (Continued)

21. 於共同控制實體之投資(續)

Name of entity 實體名稱	Form of business structure 業務架構形式	Place of registration/ incorporation 註冊/成立 地點	Principal place of operation 主要營業 地點	Class of capital 股本類別	Proportion of nominal value of registered/ issued capital held by the Group 本集團所持註冊/ 已發行股本面值比例		Principal activity 主要業務
					2010 二零一零年 %	2009 二零零九年 %	
China Oman Energy Company Limited ("China Oman")	Incorporated 註冊成立	Bermuda 百慕達	Hong Kong 香港	Ordinary 普通	50.0	50.0	Development of energy import projects from Middle East to PRC 中東至中國之能源輸入項目開發
泰能天然氣有限公司	Equity joint venture 合資企業	PRC 中國	PRC 中國	Registered 註冊	51.0	51.0	Trading of natural gas 天然氣銷售
Fujian Anran Gas Investment Company Limited ("Fujian Anran") 福建省安然燃氣投資有限公司 ("福建安然")	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	49.0	-	Investment holding 投資控股
重慶長南天然氣輸配有限責任公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	49.0	-	Trading of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
榆林中燃天然氣有限公司 ("榆林中燃")	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	40.0 (note c) (附註c)	-	Trading of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設

* English name is for identification purposes only.

* 英文名稱僅供識別。

Notes:

附註：

- (a) During the year ended 31 March 2010, the Group has acquired 1% additional equity interest in 呼和浩特 at a consideration of RMB10,207,000 (approximately HK\$11,732,000). The composition of the board of directors as stipulated in the Articles of Association of 呼和浩特 has not been unchanged after the acquisition. The details were set out in note 41(A).
- (b) During the year ended 31 March 2010, 重慶鼎旺 was disposed of to 重慶鼎發, an associate of the Group, at a consideration of HK\$16,000,000. The details were set out in note 44(ii).
- (c) During the year ended 31 March 2010, a subsidiary of the Group and the minority shareholder of 榆林中燃 have contributed additional capital to 榆林中燃 which resulted in a change of shareholding of both shareholders and the composition of the board of directors of 榆林中燃 (note 43). According to the new Articles of Association, all the major financial and operating decisions require unanimous consent from all venturers. Accordingly, the Group's interest in 榆林中燃 was reclassified from a subsidiary to in a joint controlled entity of the Group.

- (a) 截至二零一零年三月三十一日止年度，本集團按代價人民幣10,207,000（約11,732,000港元）額外收購呼和浩特1%股權。收購後，呼和浩特董事會之組成維持不變。有關詳情載於附註41(A)。
- (b) 截至二零一零年三月三十一日止年度，本集團按代價16,000,000港元出售重慶鼎旺予本集團之聯營公司重慶鼎發。有關詳情載於附註44(ii)。
- (c) 截至二零一零年三月三十一日止年度，本集團附屬公司及榆林中燃少數股東向榆林中燃作出額外資本貢獻，導致榆林中燃股東之股權及董事會之組成有所改變（附註43）。根據新公司細則，所有重大財務及營運決定均須獲所有合營者一致同意方可通過。因此，本集團於榆林中燃之權益由於附屬公司之權益被重新分類至於共同控制實體之權益。

As all the major financial and operating decisions of the above entities require unanimous consent from all venturers, they are accounted for as jointly controlled entities.

由於上述實體之所有重大財務及營運決定均須獲所有合營者一致同意方可通過，故以上公司被視為共同控制實體。

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21. Investments in Jointly Controlled Entities (Continued)

The summarised financial information in respect of the Group's jointly controlled entities which are accounted for using proportionate consolidation with the line-by-line reporting format is set out below:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Current assets	流動資產	811,744	625,259
Non-current assets	非流動資產	4,351,061	2,217,330
Current liabilities	流動負債	1,052,969	723,995
Non-current liabilities	非流動負債	1,056,260	543,753
Income recognised in profit or loss	於損益賬確認之收入	1,339,183	990,112
Expenses recognised in profit or loss	於損益賬確認之開支	1,204,889	915,780

21. 於共同控制實體之投資(續)

本集團之共同控制實體之財務資料概要乃按比列綜合列賬，並以下列之分項基準呈報：

22. Available-for-sale Investments

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Equity securities listed in Hong Kong, at fair value	於香港上市之股本證券， 按公平值	13,230	5,272
Unlisted equity securities, at cost less impairment	非上市股本證券， 按成本值減值	66,114	33,008
Club debenture, at fair value	會所債券，按公平值	3,494	3,715
		82,838	41,995

22. 可供出售投資

Equity securities listed in Hong Kong are stated at fair value. The fair values of listed equity securities are based on quoted market bid price. Change in fair value of the listed equity securities classified as available-for-sale investments for the year ended 31 March 2010 with an increase of HK\$7,958,000 (2009: decrease of HK\$6,495,000) was recognised in the consolidated statement of comprehensive income. For the year ended 31 March 2009, the Group recognised impairment loss of HK\$14,947,000 to the consolidated statement of comprehensive income.

於香港上市之股本證券乃按公平值列賬。上市股本證券之公平值乃根據所報之市場買入價釐定。於截至二零一零年三月三十一日止年度，被歸類為可供出售投資之上市股本證券之公平值變動增加7,958,000港元(二零零九年：減少6,495,000港元)於綜合全面收入報表確認。於截至二零零九年三月三十一日止年度，本集團於綜合全面收入報表中確認減值虧損14,947,000港元。

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22. Available-for-sale Investments (Continued)

Unlisted equity securities issued by private entities incorporated in the PRC. Those private entities are engaged in the sales and distribution of LPG in the PRC. They are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

Club debentures are stated at fair value. Fair value of the club debenture has been determined by reference to the bid prices quoted in the second hand market. No fair value change was recognised in both years.

23. Goodwill

		HK\$'000 千港元
COST	成本值	
At 1 April 2008	於二零零八年四月一日	429,422
Arising on acquisition of businesses (note 42)	產生自收購業務(附註42)	255,045
At 31 March 2009, as restated	於二零零九年三月三十一日 (重列)	684,467
Arising on acquisition of additional interest in a subsidiary (note 40(A))	產生自收購附屬公司額外 權益(附註40(A))	15,504
Arising on acquisition of businesses (note 42)	產生自收購業務(附註42)	200,606
At 31 March 2010	於二零一零年三月三十一日	900,577
CARRYING VALUES	賬面值	
At 31 March 2010	於二零一零年三月三十一日	900,577
At 31 March 2009, as restated	於二零零九年三月三十一日 (重列)	684,467

The Group tests for impairment of goodwill annually and in the financial year in which the acquisition takes place, or more frequently if there are indications that goodwill might be impaired. Particulars regarding impairment testing on goodwill are disclosed in note 25.

22. 可供出售投資(續)

由私人公司發行之非上市股本證券於中國註冊成立，該等私人實體在中國從事LPG銷售及分銷業務，乃於報告期末按成本減減值計量，原因為合理公平值之估計之範圍太大，本公司董事認為，其公平值不能可靠地計量。

會所債券乃按公平值列賬。會所債券之公平值乃經參與二級市場所報之投標價格釐定。該兩個年度均並無確認公平值變動。

23. 商譽

本集團於每年及於收購作出之財政年度均會檢討商譽有否減值，當有跡象表明商譽可能減值時，會更頻密檢討。有關商譽減值測試之詳情見附註25。

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24. Other Intangible Assets

24. 其他無形資產

		Exclusive rights of natural gas operations 天然氣業務之 獨家經營權 HK\$'000 千港元	Customer Relationship 客戶關係 HK\$'000 千港元	Technical expertise 專項技術 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST		成本值			
At 1 April 2008	於二零零八年四月一日	300,780	15,000	13,637	329,417
Acquired on acquisition of a subsidiary (note 40(B)(ii))	收購附屬公司所得 (附註40(B)(ii))	7,037	-	-	7,037
Acquired on acquisition of businesses (note 42)	收購業務所得 (附註42)	7,124	-	-	7,124
At 31 March 2009	於二零零九年三月三十一日	314,941	15,000	13,637	343,578
Acquired on acquisition of businesses (note 42)	收購業務所得 (附註42)	954,397	-	-	954,397
At 31 March 2010	於二零一零年三月三十一日	1,269,338	15,000	13,637	1,297,975
AMORTISATION		攤銷			
At 1 April 2008	於二零零八年四月一日	8,234	1,794	568	10,596
Charge for the year	年內攤銷	10,504	1,500	681	12,685
At 31 March 2009	於二零零九年三月三十一日	18,738	3,294	1,249	23,281
Charge for the year	年內攤銷	17,838	1,500	681	20,019
At 31 March 2010	於二零一零年三月三十一日	36,576	4,794	1,930	43,300
CARRYING VALUES		賬面值			
At 31 March 2010	於二零一零年三月三十一日	1,232,762	10,206	11,707	1,254,675
At 31 March 2009	於二零零九年三月三十一日	296,203	11,706	12,388	320,297

Note: The exclusive rights of natural gas operation, customer relationship and technical expertise are amortised on a straight-line method over the period of 30 years, 10 years and 20 years respectively. Particulars regarding impairment testing on other intangible assets are disclosed in note 25.

附註：天然氣業務獨家經營權、客戶關係及專項技術乃按直線法分別於三十年、十年及二十年之期間攤銷。有關其他無形資產之減值測試之詳情載於附註25。

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25. Impairment Testing on Goodwill and Other Intangible Assets

Management considered each subsidiary or jointly controlled entity represents a separate CGU for the purpose of goodwill and other intangible assets impairment testing. The carrying amounts of goodwill, exclusive rights of natural gas operations, customer relationship and technical expertise are allocated as follows:

25. 商譽及其他無形資產減值測試

管理層認為，就商譽及其他無形資產減值測試而言，各附屬公司或共同控制實體代表獨立現金產生單位。商譽、天然氣業務之獨家經營權、客戶關係及專項技術之賬面值分置如下：

		Goodwill		Exclusive rights of natural gas operations 天然氣業務之獨家經營權		Customer relationship		Technical expertise	
		商譽				客戶關係		專項技術	
		2010 二零一零年 HK\$'000	2009 二零零九年 HK\$'000 (重列)	2010 二零一零年 HK\$'000	2009 二零零九年 HK\$'000	2010 二零一零年 HK\$'000	2009 二零零九年 HK\$'000	2010 二零一零年 HK\$'000	2009 二零零九年 HK\$'000
Subsidiaries or jointly controlled entities engaged in natural gas business	從事天然氣業務之附屬公司或共同控制實體								
Clever Decision Enterprise Limited	Clever Decision Enterprise Limited	141,716	141,716	-	-	-	-	-	-
宿州中燃城市燃氣發展有限公司 (「宿州中燃」)	宿州中燃城市燃氣發展有限公司(「宿州中燃」)	44,802	44,802	-	-	-	-	-	-
北京中油翔科科技有限公司	北京中油翔科科技有限公司	15,540	15,540	-	-	-	-	-	-
柳州中燃	柳州中燃	65,981	65,981	-	-	-	-	-	-
Positive Rise Energy Limited (「Positive Rise」)	Positive Rise Energy Limited (「Positive Rise」)	100,086	100,086	86,693	89,821	-	-	-	-
包頭市燃氣有限公司(「包頭燃氣」)	包頭市燃氣有限公司 (「包頭燃氣」)	-	-	22,967	23,804	-	-	-	-
China City Natural Gas Investment Limited (「CGNGIL」)	China City Natural Gas Investment Limited (「CGNGIL」)	-	-	61,291	63,629	-	-	-	-
呼和浩特	呼和浩特	-	-	10,385	10,784	-	-	-	-
撫順中燃	撫順中燃	-	-	3,464	3,597	-	-	-	-
杭州東能管道燃氣有限公司 (「杭州東能」)	杭州東能管道燃氣有限公司(「杭州東能」)	-	-	58,536	60,885	-	-	-	-
德州中燃	德州中燃	-	-	28,780	29,811	-	-	-	-
China Gas Investment Development Limited (「CGIDL」)	China Gas Investment Development Limited (「CGIDL」)	-	-	-	-	10,206	11,706	-	-
China Oman	China Oman	-	-	-	-	-	-	11,707	12,388
湖南明程貿易發展有限公司 (「湖南明程」)	湖南明程貿易發展有限公司(「湖南明程」)	53,688	53,688	3,369	3,558	-	-	-	-
Brilliant China Investments Limited (「Brilliant China」)	Brilliant China Investments Limited (「Brilliant China」)	99,866	-	291,939	-	-	-	-	-
南寧管道燃氣有限公司 (「南寧管道」)	南寧管道燃氣有限公司(「南寧管道」)	-	-	625,040	-	-	-	-	-
南昌中燃城市燃氣發展有限公司 (「南昌中燃」)	南昌中燃城市燃氣發展有限公司(「南昌中燃」)	14,931	-	8,087	-	-	-	-	-
遼陽中燃城市燃氣發展有限公司 (「遼陽中燃」)	遼陽中燃城市燃氣發展有限公司(「遼陽中燃」)	27,136	-	10,354	-	-	-	-	-
牡丹江大通燃氣有限公司 (「牡丹江大通燃氣」)	牡丹江大通燃氣有限公司(「牡丹江大通燃氣」)	30,396	-	11,990	-	-	-	-	-
深圳市中燃燃氣有限公司 (「深圳中燃」)	深圳市中燃燃氣有限公司(「深圳中燃」)	6,018	-	-	-	-	-	-	-
Other CGUs	其他現金產生單位	64,498	61,297	9,867	10,314	-	-	-	-
Subsidiaries engaged in LPG business	從事LPG業務之附屬公司								
Zhongyou Hua Dian	中油華電	210,843	201,357	-	-	-	-	-	-
上海華辰	上海華辰	25,076	-	-	-	-	-	-	-
		900,577	684,467	1,232,762	296,203	10,206	11,706	11,707	12,388

25. Impairment Testing on Goodwill and Other Intangible Assets (Continued)

The recoverable amounts of the CGUs are determined based on value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The Group prepares cash flows forecasts derived from the most recent financial budgets approved by management for the next five years. The CGUs cashflows beyond the 5-year period are extrapolated using a steady 3% (2009: 3%) growth rate for natural gas business and 5% (2009: 5%) for LPG business. The financial budgets and growth rates are estimated according to the stage of each operation with reference to the development curve of the natural gas industry in the PRC region. The rates used to discount the forecast cash flows for CGUs are from 15% to 17% (2009: 15% to 17%). In the opinion of the directors, no material impairment loss is identified for both years.

26. Inventories

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Construction materials	建材	133,134	113,329
Consumables, spare parts and coke materials	消耗品、備件及燃煤物料	135,315	59,364
Natural gas	天然氣	11,228	25,992
LPG	LPG	284,486	342,213
		564,163	540,898

25. 商譽及其他無形資產減值測試(續)

現金產生單位之可回收價值乃按計算使用價值釐定。計算使用價值主要假設於期內售價之折扣率、增長率及預期變動及直接成本。管理層按反映目前評估金錢之時間值及現金產生單位之特定風險之稅前比率估計折扣率。增長率按業內預期增長釐定。售價變動及直接成本按過往慣例及預期市場未來之變動而釐定。

本集團根據管理層批准未來五年之最近期財務預算編製現金流量預算。有關天然氣業務及LPG業務五年期後之現金產生單位現金流量則分別採用穩定增長率3% (二零零九年: 3%)及5% (二零零九年: 5%)進行推算。財務預算及增長率乃根據各業務之發展階段及經參考中國地區之天然氣行業之發展曲線後估計。用於預測現金產生單位之現金流量折扣比率由15%至17% (二零零九年: 15%至17%)不等。董事認為, 於該兩個年度概無重大可辨認減值虧損。

26. 存貨

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27. Amounts Due from (to) Customers for Contract Work 27. 應收(應付)客戶之合約工程款項

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Contracts in progress at end of the reporting period:	於報告期末之在建工程：		
Contract costs incurred plus recognised profits less recognised losses	已錄得之合約成本加已確認溢利減已確認虧損	727,364	527,111
Less: Progress billings	減：進度付款	(863,415)	(428,861)
		(136,051)	98,250
Analysed for reporting purposes as:	作呈報用途分析：		
Amounts due from customers for contract work	應收客戶之合約工程款項	103,265	219,993
Amounts due to customers for contract work	應付客戶之合約工程款項	(239,316)	(121,743)
		(136,051)	98,250

At 31 March 2010 and 2009, there was no retention monies held by customers for contract work performed. At 31 March 2010, advances received from customers for contract work not yet commenced amounted to HK\$430,269,000 (2009: HK\$258,592,000) which were included in trade and other payables in note 33.

During the year ended 31 March 2010, the Group recognised losses of HK\$51,418,000 (2009: HK\$36,864,000) in respect of contract costs incurred. The directors of the Company reviewed the recoverable amounts of contract costs incurred and identified certain projects are unlikely to be completed in foreseeable future due to the delay of construction work of relevant property development projects in the PRC. In the opinion of directors of the Company, the amounts are unlikely to be recovered from its customers and accordingly, losses are recognised in full in the consolidated statement of comprehensive income.

於二零一零年及二零零九年三月三十一日，並無保留款項由客戶就已進行之合約工程而持有。於二零一零年三月三十一日，已向尚未展開之合約工程客戶收取之墊款為430,269,000港元(二零零九年：258,592,000港元)，並已列入附註33之貿易應付賬款及其他應付賬項。

於截至二零一零年三月三十一日止年度，本集團就已錄得之合約成本確認51,418,000港元(二零零九年：36,864,000港元)虧損。本公司董事已檢討所錄得合約成本之可收回金額，由於中國有關物業發展項目之工程延誤，故認為若干項目在可見將來完成之機會甚低。本公司董事認為，從客戶追回款項之可能性不高，因此於綜合全面收入報表全面確認虧損。

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28. Trade and Other Receivables

28. 貿易應收賬款及其他應收賬項

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Trade receivables	貿易應收賬款	820,144	655,774
Less: Accumulated allowances	減：累計撥備	(221,497)	(146,079)
Trade receivables	貿易應收賬款	598,647	509,695
Deposits paid for construction and other materials	工程及其他材料已付按金	100,278	75,134
Deposits paid for purchase of natural gas and LPG	購買天然氣及LPG已付按金	306,555	130,983
Advance payments to sub-contractors	預付予承包商之款項	150,151	105,806
Tender deposits	投標按金	66,107	17,644
Rental and utilities deposits	租金及公用事業按金	24,541	22,752
Other tax recoverable	其他可收回稅項	43,260	36,522
Other receivables, deposits and prepayments	其他應收賬項、按金及預付款項	345,742	251,610
Amounts due from minority shareholders of subsidiaries	應收附屬公司少數股東款項	212,050	70,155
Amounts due from shareholders of jointly controlled entities	應收共同控制實體股東款項	23,730	65,397
Total trade and other receivables	貿易應收賬款及其他應收賬項總額	1,871,061	1,285,698

Other than certain major customers with good repayment history which the Group allows a longer credit period or settlement by instalment basis, the Group generally allows an average credit period of 30 to 180 days to its trade customers.

除若干付款記錄良好之主要客戶獲本集團准許有較長信貸期或分期付款外，本集團一般向其貿易客戶提供平均30-180日之信貸期。

The following is an aged analysis of trade receivables net of impairment losses presented based on invoice date at the end of the reporting period:

於報告期末，按發票日期呈列之貿易應收賬款(扣除減值虧損)之賬齡分析如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
0 – 180 days	0-180日	480,797	344,066
181 – 365 days	181-365日	74,793	92,333
Over 365 days	365日以上	43,057	73,296
		598,647	509,695

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28. Trade and Other Receivables (Continued)

The trade receivables with carrying amount of HK\$480,797,000 (2009: HK\$344,066,000) are neither past due nor impaired at the reporting date for which the Group believes that the amounts are considered recoverable.

The Group has policies for allowance of bad and doubtful debts which are based on the evaluation of collectability and age analysis of accounts and on the management's judgment including the credit creditworthiness and the past collection history of each customer.

During the year ended 31 March 2010, the Group made an allowance of HK\$75,112,000 (2009: HK\$53,883,000) in respect of the trade receivables related to the gas pipeline construction business, which was past due at the reporting date with long age and slow repayments were received from respective customers since the due date. The directors of the Company considered the related receivables may be impaired and specific allowance is made.

Movement in the allowance for bad and doubtful debts:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Balance at the beginning of the year	年初結餘	146,079	79,187
Exchange differences	匯兌差額	306	13,009
Charge for the year	本年度撥備	75,112	53,883
Balance at the end of the year	年終結餘	221,497	146,079

In determining the recoverability of the trade receivables, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. The trade receivables past due but not provided for impairment were either subsequently settled as at the date of these consolidated financial statements were authorised for issuance or no historical default of payments by the respective customers. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors of the Company believe that there is no further credit provision required in excess of the allowance for bad and doubtful debts.

28. 貿易應收賬款及其他應收賬項(續)

賬面值480,797,000港元之貿易應收賬款(二零零九年: 344,066,000港元)於申報日期並無逾期或出現減值, 本集團相信該等款項乃被視為可收回。

本集團之呆壞賬撥備政策乃根據追回款項機率之評估及賬項之賬齡分析, 並根據管理層對包括每名客戶之信用能力及收款往績之判斷。

於截至二零一零年三月三十一日止年度內, 本集團就與輸氣管道建設業務有關之貿易應收賬款作出75,112,000港元(二零零九年: 53,883,000港元)之撥備, 原因為該等款項於呈報日已逾期, 其賬齡久遠且有關客戶自欠款日期以來之還款速度緩慢。本公司董事認為有關應收款項或會減值, 並作出特定撥備。

呆壞賬撥備之變動:

判斷貿易應收賬款能否收回時, 本集團會考慮貿易應收賬款之信用質素自信貸初次批出當日直至申報日期期間之任何變化。逾期但未作出減值之貿易應收賬款若非其後於本綜合財務報表獲授權刊發之日已償付, 即屬於並無過往拖欠還款紀錄之客戶。由於客戶層範圍廣大及並不關連, 故信貸集中風險有限。據此, 本公司董事相信毋須於呆壞賬撥備以外進一步提撥信貸準備。

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28. Trade and Other Receivables (Continued)

Included in the Group's trade receivables are debtors, with a carrying amount of HK\$117,850,000 (2009: HK\$165,629,000) which are past due at the reporting date for which the Group has not provided as there has not been a significant change in credit quality and the amount are still considered recoverable. The Group does not hold any collateral over these balances. The average age of these trade receivable is 270 days (2009: 320 days) as at 31 March 2010.

Ageing of trade receivables which are past due but not impaired:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
180 – 365 days	180 – 365日	74,793	92,333
Over 365 days	365日以上	43,057	73,296
		117,850	165,629

Amounts due from minority shareholders of subsidiaries and shareholders of jointly controlled entities are unsecured, non-interest bearing and repayable on demand.

28. 貿易應收賬款及其他應收賬項(續)

本集團之貿易應收賬款中包括賬面值117,850,000港元之貿易應收賬款(二零零九年: 165,629,000港元), 該筆款項於申報日期已逾期, 但本集團基於信貸質素未有重大變化且金額仍被視為可收回而尚未提撥準備。本集團並無就該等結餘持有任何抵押。於二零一零年三月三十一日, 該等貿易應收賬款之平均賬齡為270日(二零零九年: 320日)。

於有關結算日已逾期但未列作減值之貿易應收賬款之賬齡分析如下:

應收附屬公司少數股東及共同控制實體股東款項均為無抵押、免息且須按要求償還。

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29. Derivative Financial Instruments

29. 衍生金融工具

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Derivative financial assets:	衍生金融資產：		
Non-current	非流動		
Interest rate range accrual swap transactions not qualified for hedge accounting	不符合資格作為對沖會計處理之利率範圍累計掉期交易	9,759	-
Current	流動		
Interest rate range accrual swap transactions not qualified for hedge accounting	不符合資格作為對沖會計處理之利率範圍累計掉期交易	2,909	-
Early redemption option embedded in convertible bonds (note 38(c))	可換股債券附帶之提前贖回權(附註38(c))	-	1,261
		2,909	1,261
Derivative financial liabilities:	衍生金融負債：		
Non-current	非流動		
Interest rate range accrual swap transactions not qualified for hedge accounting	不符合資格作為對沖會計處理之利率範圍累計掉期交易	-	360,087
Current	流動		
Embedded conversion option (note 38(b))	附帶換股權(附註38(b))	-	782

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29. Derivative Financial Instruments (Continued)

Interest rate range accrual swap transactions

Major terms of the outstanding interest rate swap transactions as at 31 March 2010 and 2009 are as follows:

Notional amount 名義金額	Maturity dates 到期日	Pay leg 付款部分	Receive leg 收款部分
RMB2,000,000,000 in aggregate	From 4 September 2011 to 12 December 2011	6.60% – 6.65%	Relative movement of 2-year, 10-year and 30-year USD swap rates
合共人民幣 2,000,000,000元	由二零一一年九月四日至 二零一一年十二月十二日	6.60厘至6.65厘	2年、10年及30年美元掉期利率之 相關變動
US\$200,000,000 in aggregate	From 12 October 2010 to 13 June 2011	From USD LIBOR + 0.60% to USD LIBOR + 2.35%	Relative movement of 2-year, 10-year and 30-year USD swap rates
合共 200,000,000美元	由二零一零年十月十二日至 二零一一年六月十三日	由美元倫敦銀行同業 拆息率+0.60厘至美元 倫敦銀行同業拆息率+ 2.35厘	2年、10年及30年美元掉期利率之 相關變動

The net fair values of the outstanding interest rate transactions are measured at the present value of estimated future cash flows discounted based on the applicable yield curves derived from quoted interest rates, and quoted spot and forward foreign exchange rate.

Derivatives embedded in convertible bonds

Embedded conversion option represented the fair value of the bondholders' option to convert the convertible bonds issued on 29 June 2005 (as detailed in note 38) into equity of the Company.

Early redemption option represented the fair value of the Company's option to early redeem in respect of convertible bond issued on 29 June 2005 (as detailed in note 38) into equity of the Company.

With the full conversion of the convertible bonds during the year end 31 March 2010, there is no derivatives embedded in convertible bonds at 31 March 2010.

29. 衍生金融工具(續)

利率範圍累計掉期交易

於二零一零年及二零零九年三月三十一日，未到期利率掉期交易之主要條款如下：

未到期利率交易之公平淨值乃按根據適用報價利率所得之收益曲線貼現之估計未來現金流之現值，以及報價現貨及期貨匯率計量。

可換股債券之附帶衍生工具

附帶換股權指債券持有人把二零零五年六月二十九日發行之可換股債券(詳見附註38)轉換為本公司股本之選擇權之公平值。

提前贖回權指本公司將於二零零五年六月二十九日(詳見附註38)發行之可換股債券之選擇權之公平值提前贖回為本公司權益。

由於在截至二零一零年三月三十一日止年度悉數轉換可換股債券，於二零一零年三月三十一日可換股債券並無附帶衍生工具。

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29. Derivative Financial Instruments (Continued)

The fair value of the embedded conversion and early redemption option at 31 March 2009 were calculated using the Black-Scholes-Merton Option Pricing Model. The inputs into the model were as follows:

		2009 二零零九年	
		Embedded conversion option 附帶換股權	Early redemption option 提前贖回權
Conversion price/ redemption price/ exercise price	轉換價／贖回價／行使價	HK\$1.731 1.731港元	HK\$1.210 1.210港元
Expected volatility (note a)	預期波幅(附註a)	70.72%	70.72%
Expected life (note b)	預期年期(附註b)	1.25 years 1.25年	1.25 years 1.25年
Risk free rate (note c)	無風險利率(附註c)	0.51%	0.51%

Notes:

- (a) Expected volatility for early redemption option was determined by calculating the historical volatility of the Company's share price over 250 trading days; for embedded conversion option was determined by calculating the historical volatility of the Company's share price over 250 trading days.
- (b) Expected life was the expected remaining life of the respective options.
- (c) The risk free rate is determined by reference to the Hong Kong Government Bond Yield.

During the year, a gain of HK\$372,755,000 (2009: a loss of HK\$366,320,000) was recognised in respect of the changes in fair values of derivative financial instruments.

29. 衍生金融工具(續)

於二零零九年三月三十一日附帶換股權及提前贖回權之公平值乃按柏力克－舒爾斯－默頓期權定價模式計算。模式之輸入數字如下：

		2009 二零零九年	
		Embedded conversion option 附帶換股權	Early redemption option 提前贖回權
Conversion price/ redemption price/ exercise price	轉換價／贖回價／行使價	HK\$1.731 1.731港元	HK\$1.210 1.210港元
Expected volatility (note a)	預期波幅(附註a)	70.72%	70.72%
Expected life (note b)	預期年期(附註b)	1.25 years 1.25年	1.25 years 1.25年
Risk free rate (note c)	無風險利率(附註c)	0.51%	0.51%

附註：

- (a) 提前贖回權之預期波幅乃經計算本公司之股價於250個交易日之歷史波幅而釐定；而就附帶換股權而言，預期波幅則經計算本公司之股價於250個交易日之歷史波幅而釐定。
- (b) 預期有效年期指各期權之預計餘下年期。
- (c) 無風險利率乃經參考香港政府債券孳息率釐定。

年內，收益372,755,000港元(二零零九年：虧損366,320,000港元)獲確認為衍生金融工具之公平值變動。

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30. Amounts Due from/to Associates

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Amounts due from associates	應收聯營公司款項		
Non-current portion (note a)	非流動部分 (附註a)	-	68,966
Current portion (note b)	流動部分 (附註b)	138,236	243,250
		138,236	312,216

Notes:

- (a) The balance at 31 March 2009 was unsecured, interest bearing at 5.31% per annum and repayable on 1 June 2010.
- (b) Included in the balance is an amount of HK\$77,361,000 (2009: HK\$76,264,000) which is unsecured, interest bearing at 5.31% to 6.93% per annum and repayable within a year. The remaining balance of HK\$60,875,000 (2008: HK\$166,986,000) are of trade nature with aging within 180 days based on invoice date. A credit period of 30 to 180 days is granted to these trade customers. All balances are neither past due nor impaired at the reporting date as there has not been a significant change in credit quality and the Group believes that the amounts are considered recoverable.

The amounts due to associates are unsecured, non-interest bearing and repayable on demand.

30. 應收／應付聯營公司款項

附註：

- (a) 於二零零九年三月三十一日之結餘乃無抵押，按年利率5.31厘計息且須於二零一零年六月一日償還。
- (b) 計入結餘之金額77,361,000港元(二零零九年：76,264,000港元)乃無抵押，按年利率5.31厘至6.93厘計息且須於一年內償還。餘額60,875,000港元(二零零八年：166,986,000港元)屬貿易性質，賬齡由發票日期起計180日內。本集團向該等貿易客戶授予30日至180日之信貸期。由於信貸質素並無重大改變，且本集團相信有關金額可予收回，於報告期末，所有結餘均無逾期及減值。

應付聯營公司款項為無抵押、免息並須於要求時償還。

31. Held-for-trading Investments

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Listed securities at fair value	按公平值計算之上市證券		
- Equity securities listed in Hong Kong	- 於香港上市之股本證券	15,468	11,460
- Equity securities listed in the PRC	- 於中國上市之股本證券	-	84
		15,468	11,544

31. 持作買賣投資

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32. Pledged Bank Deposits/Bank Balances and Cash

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less and carry interest at market rates which range from 0.03% to 1.71% per annum (2009: 0.03% to 1.21% per annum).

Pledged bank deposits represent deposits pledged to banks to secure banking facilities granted to the Group. Deposits amounting to HK\$489,103,000 (2009: HK\$847,759,000) have been pledged to secure short-term bank loans and undrawn short-term facilities and are therefore classified as current assets. The pledged bank deposits carry fixed interest rate of 1.00% to 3.47% (2009: 0.81% to 3.42%) per annum.

The details of the Group's pledged bank deposits and bank balances and cash which are denominated in currencies other than the functional currency of the respective group entities are set out below:

32. 已抵押銀行存款／銀行結存及現金

銀行結存及現金包括本集團持有之現金及原本於三個月內到期之短期銀行存款，按每年0.03厘至1.71厘(二零零九年：每年0.03厘至1.21厘)之利率計息。

已抵押銀行存款指為取得授予本集團之銀行融資而抵押予銀行之存款。489,103,000港元(二零零九年：847,759,000港元)之存款已作抵押以取得短期銀行貸款及未提取之短期融資，因此分類為流動資產。已抵押銀行存款按每年1.00厘至3.47厘(二零零九年：每年0.81厘至3.42厘)之利率計息。

本集團除各相關集團實體之功能貨幣以外之外幣計值之已抵押銀行存款以及銀行結存及現金之詳情載列如下：

		USD 美元 HK\$'000 千港元 equivalent 相當於	HK\$ 港元 HK\$'000 千港元
At 31 March 2010	於二零一零年三月三十一日	796,306	43,758
At 31 March 2009	於二零零九年三月三十一日	373,531	11,895

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33. Trade and Other Payables

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The following is an aged analysis of trade and other payables presented base on the invoice date at the reporting date:

33. 貿易應付賬款及其他應付賬項

貿易應付賬款及其他應付賬項包括貿易買賣及持續成本之未結清數額。於報告當日，按發票日期呈列之貿易應付賬款及其他應付賬項之賬齡分析如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
0 – 90 days	0 – 90日	1,058,186	1,142,836
91 – 180 days	91 – 180日	245,035	119,262
Over 180 days	180日以上	382,258	249,131
Trade and bill payables	貿易應收賬款及票據	1,685,479	1,511,229
Other payables and accrued charges	其他應付賬項及應計支出	128,572	164,996
Construction fee payables	應付工程費用	154,119	99,303
Other tax payables	應付其他稅項	57,392	102,071
Accrued staff costs	累計員工成本	85,512	71,159
Loan interest payables	應付貸款利息	47,481	49,245
Deposits received from customers	已收客戶之按金	55,191	12,709
Advance payments from customers	來自客戶之預收款項	361,227	186,196
Advances received from customers for contract works that have not yet been started	已向尚未展開之合約工程客戶收取之墊款	430,269	258,592
Amounts due to minority shareholders of subsidiaries	應付附屬公司少數股東款項	50,501	65,454
Amounts due to shareholders of jointly controlled entities	應付共同控制實體股東款項	24,668	34,291
Obligation on capital injection to Fujian Anran by Zhongmin Zhongran (as defined in note 42(A)(iii))	中民中燃向福建安然注資之責任 (定義見附註42(A)(iii))	23,448	–
Deferred cash consideration for the acquisition of businesses (note 42)	用作收購業務之遞延現金代價(附註42)	78,161	48,068
		3,182,020	2,603,313

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33. Trade and Other Payables (Continued)

Included in the amounts due to minority shareholders of subsidiaries and shareholders of jointly controlled entities are trade payable amounting to HK\$4,469,000 (2009: HK\$22,292,000) and HK\$9,136,000 (2009: HK\$6,031,000) respectively. All of the balances were aged within 90 days based on invoice date and the average credit period is 90 days.

The non-trade balances of amounts due to minority shareholders of subsidiaries and shareholders of jointly controlled entities are unsecured, non-interest bearing and repayable on demand.

34. Bank and Other Borrowings

Bank and other borrowings comprise the following:

Bank loans	銀行貸款
Trust receipt loans	信託收據貸款
Mortgage loan	按揭貸款
Other bank loans	其他銀行貸款
Other loans	其他貸款

Secured
Unsecured

銀行及其他
借貸包括：

銀行貸款
信託收據貸款
按揭貸款
其他銀行貸款
其他貸款

有抵押
無抵押

33. 貿易應付賬款及其他應付賬項(續)

計入應付附屬公司少數股東及共同控制實體股東之金額分別為貿易應收賬款4,469,000港元(二零零九年: 22,292,000港元)及9,136,000港元(二零零九年: 6,031,000港元)。所有結餘之賬齡由發出發票日期起計90日內及平均信貸期為90日。

應付附屬公司少數股東及共同控制實體股東之款項為無抵押、免息及須於要求時償還。

34. 銀行及其他借貸

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Bank and other borrowings comprise the following:	銀行及其他 借貸包括：		
Bank loans	銀行貸款	10,640,014	7,741,596
Trust receipt loans	信託收據貸款	1,686,715	1,586,521
Mortgage loan	按揭貸款	7,566	11,904
Other bank loans	其他銀行貸款	763,635	669,138
Other loans	其他貸款	218,176	288,763
		13,316,106	10,297,922
Secured	有抵押	8,250,069	7,563,605
Unsecured	無抵押	5,066,037	2,734,317
		13,316,106	10,297,922

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34. Bank and Other Borrowings (Continued)

Other bank loans represent the loans from discounting of intercompany receivables with full recourse.

34. 銀行及其他借貸(續)

其他銀行貸款指來自具全面追溯權之貼現公司間應收款項。

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
The maturity profile of the above loans is as follows:	上述貸款之到期情況如下：		
Within one year	於一年內	5,294,761	3,103,855
More than one year, but not exceeding two years	多於一年但不超過兩年	662,620	355,753
More than two years, but not exceeding five years	多於兩年但不超過五年	3,063,156	2,430,918
More than five years	多於五年	4,295,569	4,407,396
		13,316,106	10,297,922
Less: Amount due within one year shown under current liabilities	減：一年內到期列入流動負債之款項	(5,294,761)	(3,103,855)
Amount due after one year	一年後到期之款項	8,021,345	7,194,067
Borrowings comprise:	借貸包括：		
Fixed-rate borrowings	定息借貸	5,016,495	7,392,080
Floating-rate borrowings	浮息借貸		
– LIBOR plus 1.5%	– LIBOR另加1.5%	2,706,958	2,072,957
– Base rate of People's Bank of China	– 中國人民銀行基礎利率	5,592,653	832,885
		13,316,106	10,297,922

The range of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

本集團借貸之實際利率之範圍(相等已訂約利率)如下：

		2010 二零一零年	2009 二零零九年
Effective interest rate per annum:	實際年利率：		
Fixed-rate borrowings	定息借貸	2.10% to 7.83% 2.10%至7.83%	2.10% to 7.83% 2.10%至7.83%
Floating-rate borrowings	浮息借貸	3.84% to 8.00% 3.84%至8.00%	3.56% to 8.00% 3.56%至8.00%

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34. Bank and Other Borrowings (Continued)

The details of the Group's borrowings which are denominated in currencies other than the functional currency of the respective group entities are set out below:

		EUR 歐元 HK\$'000 千港元 equivalent 相當於	USD 美元 HK\$'000 千港元 equivalent 相當於	JPY 日圓 HK\$'000 千港元 equivalent 相當於
At 31 March 2010	於二零一零年三月三十一日	–	4,232,459	95,031
At 31 March 2009	於二零零九年三月三十一日	22,907	3,434,058	47,479

34. 銀行及其他借貸(續)

本集團除各相關集團實體之功能貨幣以外之外幣計值之借貸之詳情載列如下：

35. Share Capital

35. 股本

		Ordinary shares		Convertible preference shares		Total 合計
		普通股	可換股優先股	普通股	可換股優先股	
		No. of shares '000 千股股數 at HK\$0.01 each 每股面值 0.01港元	HK\$'000 千港元	No. of shares '000 千股股數 at HK\$1.00 each 每股面值 1.00港元	HK\$'000 千港元	HK\$'000 千港元
Authorised	法定	9,000,000	90,000	124,902	124,902	214,902
Issued and fully paid:	已發行及繳足：					
At 1 April 2008	於二零零八年四月一日	3,331,444	33,314	–	–	33,314
Exercise of share options (note 49)	行使購股權(附註49)	2,170	22	–	–	22
At 31 March 2009	於二零零九年三月三十一日	3,333,614	33,336	–	–	33,336
Exercise of share options (note 49)	行使購股權(附註49)	18,410	184	–	–	184
Issue of new ordinary shares (Note)	發行新普通股(附註)	9,012	90	–	–	90
At 31 March 2010	於二零一零年三月三十一日	3,361,036	33,610	–	–	33,610

Note: During the year ended 31 March 2010, the bondholders of the Bond (as defined in note 38) have fully converted the remaining of the Bond into 9,012,000 ordinary shares of HK\$0.01 each in the Company at a conversion price of HK\$1.731 per share.

The shares issued during the year rank pari passu with the then existing shares in all respects.

附註：於截至二零一零年三月三十一日止年度，債券（定義見附註38）的債券持有人以轉換價每股1.731港元已轉換所有餘下債券為9,012,000股本公司每股面值0.01港元之普通股。

於年內發行之股份於所有方面與現有股份享有同等權利。

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36. Reserves

Translation reserve

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
At the beginning of the reporting period	於報告期初	285,553	283,690
Exchange difference arising on translation	因換算而產生之匯兌差額	1,240	1,863
Release upon disposal of jointly controlled entities	出售共同控制實體時撥回	(9,066)	-
Release upon disposal of a subsidiary	出售附屬公司時撥回	(62)	-
At the end of the reporting period	於報告期末	277,665	285,553

Investment revaluation reserve

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
At the beginning of the reporting period	於報告期初	-	(8,452)
Increase in fair value on available-for-sale investments	可供出售投資公平值增加	7,958	8,452
At the end of the reporting period	於報告期末	7,958	-

36. 儲備

匯兌儲備

投資重估儲備

37. Amount Due to a Minority Shareholder of a Subsidiary

The amount is unsecured, bearing fixed-rate interest at 2% per annum, repayable in year 2013 and denominated in JPY. Accordingly, the amount is classified as a non-current liability as at the end of the reporting period.

37. 欠附屬公司少數股東之款項

該款項為無抵押、按年利率2厘計息、須於二零一三年償還及以日圓計值。據此，該款項於報告期末被列為非流動負債。

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38. Convertible Bonds

On 23 June 2005, the Company entered into a conditional subscription agreement with CQS Convertible and Quantitative Strategies Master Fund Limited ("CQS") and Courtenay Enterprises Limited ("Courtenay"), independent third parties of the Group, whereby CQS and Courtenay subscribed the USD denominated Bonds ("the Bond") issued at par by the Company in an aggregate principal amount of US\$40,000,000. The Bond was issued on 29 June 2005 ("the Issue Date") and carries interest at 1% per annum and is matured on 29 June 2010. The conversion price of the Bond is HK\$1.731 and can be converted at any time on or after Issue Date up to 19 June 2010. Unless previously redeemed, converted or purchased and cancelled, the Bonds will be redeemed at 127.070 per cent of their principal amount on 29 June 2010. All or some of the Bonds may be redeemed at the option of the relevant holder on 29 June 2009 at 115.314 per cent of their principal amount. The Bond are listed on the Stock Exchange (Stock Code: 2562) on 1 June 2006.

The net proceeds received from the issue of convertible bonds contain the following components that are required to be separately accounted for in accordance with HKAS 32 "Financial instruments: Presentation" and HKAS 39 "Financial instruments: Recognition and Measurement":

- (a) Liability component of the Bond represents the present value of the contractually determined stream of future cash flows discounted at the rate of interest at that time by the market to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the conversion and redemption option. The effective interest rate of the liability component determined on initial recognition is 4.5% per annum.
- (b) Embedded conversion option of the Bond to be accounted for as a separate financial liability represents the fair value of the option to convert the liability into equity of the Company.
- (c) Embedded early redemption option of the Bond represents the Company's option to early redeem all or part of the Bond by bond holder on or before 19 June 2010 at the conversion price of HK\$1.731.
- (d) Mandatory redemption option of the Bond represents redemption at the option of the bond holders on 29 June 2009 at 115.314 per cent of the principal amount of the Bond.

38. 可換股債券

於二零零五年六月二十三日，本公司與 CQS Convertible and Quantitative Strategies Master Fund Limited (「CQS」) 及 Courtenay Enterprises Limited (「Courtenay」) (兩者均為本集團之獨立第三方) 訂立有條件認購協議，據此 CQS 及 Courtenay 認購本公司按面值發行總本金額為 40,000,000 美元之以美元計值債券(「債券」)。債券於二零零五年六月二十九日發行(「發行日」)，按年利率 1 厘計息並於二零一零年六月二十九日到期。債券之轉換價為 1.731 港元，可由發行日起至二零一零年六月十九日期間任何時間轉換。除非先前已贖回、轉換或購回並註銷，否則債券將於二零一零年六月二十九日按本金額 127.070% 贖回。債券持有人亦可選擇於二零零九年六月二十九日按債券本金額 115.314% 贖回其全部或部分。債券於二零零六年六月一日於聯交所上市(證券代號：2562)。

發行可換股債券之所得款項淨額包括以下成份，需要根據香港會計準則第 32 號「金融工具：呈列」及香港會計準則第 39 號「金融工具：確認及計量」獨立入賬：

- (a) 債券之負債成份指合約所定之未來現金流量按當時市場上向具有大致相同的信貸級別但無換股及贖回權並提供大致相同的現金流量的財務票據之市場利率進行貼現後的現值。於初步確認時就負債成份釐定之實際利率為 4.5 厘。
- (b) 將以個別金融負債列賬之債券之附帶換股權指轉換負債為本公司權益之選擇權公平值。
- (c) 債券之附帶提前贖回權代表本公司由債券持有人於二零一零年六月十九日或之前以轉換價 1.731 港元提早贖回全部或部分債券之選擇權。
- (d) 債券之強制贖回權代表按債券持有人之意願於二零零九年六月二十九日以債券本金額 115.314% 進行之贖回。

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38. Convertible Bonds (Continued)

The movement of different components of the convertible bonds during the year is set out below:

38. 可換股債券(續)

年內可換股債券之不同成份之變動載列如下：

		Embedded conversion option	Early redemption option	Total	
		附帶 換股權	提前贖回 選擇權	總計	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
At 1 April 2008	於二零零八年四月一日	14,334	4,264	(2,614)	15,984
Change in fair value	公平值變動	–	(3,482)	1,353	(2,129)
Interest charged (note 10)	利息支出(附註10)	645	–	–	645
Interest paid	已付利息	(156)	–	–	(156)
At 31 March 2009	於二零零九年三月三十一日	14,823	782	(1,261)	14,344
Converted during the year (note)	年內轉換(附註)	(14,823)	(782)	1,261	(14,344)
Interest charged (note 10)	利息支出(附註10)	39	–	–	39
Interest paid	已付利息	(39)	–	–	(39)
At 31 March 2010	於二零一零年三月三十一日	–	–	–	–

Note: In the opinion of directors, the financial impact on the change in fair values of conversion option and early redemption options up to the date of conversion of convertible bonds are not significant.

附註：董事認為，直至可換股債券轉換日期止，換股權及提前贖回權對公平值變動之財務影響不大。

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39. Deferred Taxation

The following is the deferred tax liabilities (assets) recognised and movements thereon during the current and prior reporting years.

39. 遞延稅項

以下為於本申報年度及前申報年度之已確認遞延稅項負債(資產)以及相關變動。

		Accelerated tax depreciation	Revaluation on investment properties	Revaluation on property, plant and equipment and prepaid lease payments 物業、 廠房及設備 及預付租賃 付款重估	Tax losses	Intangible assets	Impairment on trade receivables and amounts due from customers for contract work 應收客戶 合約工程 之貿易應收 賬款減值	Total
		加速稅項 折舊 HK\$'000 千港元	投資 物業重估 HK\$'000 千港元	及預付租賃 付款重估 HK\$'000 千港元	稅項虧損 HK\$'000 千港元	無形資產 HK\$'000 千港元	賬款減值 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 April 2008, as restated	於二零零八年四月一日(重列)	472	22,659	29,095	(3,925)	56,643	(34,203)	70,741
Acquisition of businesses (note 42)	收購業務(附註42)	-	-	133,440	-	1,780	-	135,220
(Credit) charge to profit or loss for the year	年內於損益賬 (抵免)扣除	(1)	1,575	(4,421)	283	(1,973)	(22,687)	(27,224)
At 31 March 2009, as restated	於二零零九年三月三十一日(重列)	471	24,234	158,114	(3,642)	56,450	(56,890)	178,737
Acquisition of additional interest of a jointly controlled entity (note 41(A))	收購共同控制實體額外權益 (附註41(A))	-	426	-	-	-	-	426
Acquisition of businesses (note 42)	收購業務(附註42)	-	-	88,152	-	182,691	-	270,843
Charge (credit) to profit or loss for the year	年內於損益賬 扣除(抵免)	-	9,289	(7,067)	(3,633)	(2,190)	(31,265)	(34,866)
At 31 March 2010	於二零一零年三月三十一日	471	33,949	239,199	(7,275)	236,951	(88,155)	415,140

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

就呈列綜合財務狀況表而言，若干遞延稅項資產及負債已予抵銷。以下為就財務報告而言之遞延稅項結餘分析：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (restated) (重列)
Deferred tax assets	遞延稅項資產	88,155	56,890
Deferred tax liabilities	遞延稅項負債	(503,295)	(235,627)
		(415,140)	(178,737)

39. Deferred Taxation (Continued)

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profit earned by PRC subsidiaries from 1 January 2009 onward. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$940,618,000 (2009: HK\$469,250,000) as the Group is able to control the timing of reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

All jointly controlled entities and associates are held directly by certain wholly-owned subsidiaries of the Group established in the PRC which are therefore not subject to the above-mentioned withholding tax.

At the end of the reporting period, the Group has estimated unused tax losses of HK\$1,675,899,000 (2009: HK\$846,411,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$44,093,000 (2009: HK\$22,073,000) of the tax losses. No deferred tax asset has been recognised for the remaining estimated tax losses of HK\$1,631,806,000 (2009: HK\$824,338,000) due to the uncertainty of future profits streams. Included in unrecognised estimated tax losses are losses of HK\$985,949,000 (2009: HK\$278,085,000) that will expire in 5 years from the year of origination. Other losses may be carried forward indefinitely.

40. Acquisition of Subsidiaries and Additional Interest in Subsidiaries**(A) Acquisition of additional interest in subsidiaries in 2010**

- (i) On 7 October 2009, a wholly-owned subsidiary of the Company entered into a share transfer agreement with a minority shareholder of Zhongyou Hua Dian in relation to the acquisition of 4.5% equity interest at a total consideration of RMB10,850,000 (approximately HK\$12,471,000). The consideration was satisfied by way of transfer of an available-for-sale investment of the Group with carrying value of RMB10,850,000 (approximately HK\$12,471,000). Goodwill arising from the acquisition of additional interest in Zhongyou Huadian is HK\$9,486,000.
- (ii) On 16 December 2009, a wholly-owned subsidiary of the Company entered into a share transfer agreement with a minority shareholder of 深圳中燃 in relation to the acquisition of 4% equity interest at a total consideration of RMB7,235,700 (approximately HK\$8,317,000). Goodwill arising from the acquisition of additional interest in 深圳中燃 is HK\$6,018,000.

39. 遞延稅項(續)

根據中國企業所得稅法，由二零零九年一月一日起，就中國附屬公司所賺取之溢利而宣派之股息須徵收預扣稅。綜合財務報表並無就中國附屬公司累計溢利940,618,000港元(二零零九年：469,250,000港元)作出遞延稅項撥備，原因是本集團能控制撥回暫時差額之時間，且暫時差額不可能於短期內撥回所致。

所有共同控制實體及聯營公司均由本集團在中國成立之若干全資附屬公司直接持有，因此無須繳納上述預扣稅。

於報告期末，本集團可用以抵銷未來溢利之估計未動用稅項虧損為1,675,899,000港元(二零零九年：846,411,000港元)。已就44,093,000港元(二零零九年：22,073,000港元)之稅項虧損確認遞延稅項資產。由於未可肯定未來溢利來源，其餘估計稅項虧損1,631,806,000港元(二零零九年：824,338,000港元)並無確認遞延稅項資產。未確認估計稅項虧損中包括將起始年度起計五年內屆滿之985,949,000港元(二零零九年：278,085,000港元)虧損。其他虧損可無限期結轉。

40. 收購附屬公司及增購附屬公司之權益**(A) 於二零一零年收購附屬公司額外權益**

- (i) 於二零零九年十月七日，本公司一家全資附屬公司與中油華電一名少數股東就按總代價人民幣10,850,000元(約12,471,000港元)收購4.5%股本權益而訂立一份股份轉讓協議。該代價已透過轉讓本集團賬面值為人民幣10,850,000元(約12,471,000港元)之可供出售投資支付。因收購中油華電額外權益而產生之商譽為9,486,000港元。
- (ii) 於二零零九年十二月十六日，本公司一家全資附屬公司與深圳中燃一名少數股東就按總代價人民幣7,235,700元(約8,317,000港元)收購4%股本權益而訂立一份股份轉讓協議。因收購深圳中燃額外權益而產生之商譽為6,018,000港元。

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40. Acquisition of Subsidiaries and Additional Interest in Subsidiaries (Continued)

(B) Acquisition of assets through purchase of subsidiaries in 2009

- (i) On 7 August 2008, the Group acquired 90% equity interest in 烏審旗明月天然氣開發有限公司 (“烏審旗明月”) for RMB19,267,000 (equivalent to HK\$22,145,000). 烏審旗明月 has not commenced business at the date of acquisition.

40. 收購附屬公司及增購附屬公司之權益 (續)

(B) 於二零零九年透過收購附屬公司收購之資產

- (i) 於二零零八年八月七日，本集團以人民幣19,267,000元(相當於22,145,000港元)收購烏審旗明月天然氣開發有限公司(「烏審旗明月」)90%股本權益。於收購當日，烏審旗明月尚未展開業務。

		HK\$'000 千港元
NET ASSETS ACQUIRED	所收購之淨資產	
Property, plant and equipment	物業、廠房及設備	20,735
Prepaid lease payments	預付租賃付款	5,430
Inventories	存貨	55
Bank balances and cash	銀行結存及現金	4
Other payables	其他應付賬項	(1,618)
		24,606
Minority interests	少數股東權益	(2,461)
		22,145
SATISFIED BY	支付方式	
Cash consideration	現金代價	22,145
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之現金流出淨額	
Cash paid	已付現金	(22,145)
Bank balances and cash acquired	所收購之銀行結存及現金	4
		(22,141)

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40. Acquisition of Subsidiaries and Additional Interest in Subsidiaries (Continued)

(B) Acquisition of assets through purchase of subsidiaries in 2009 (Continued)

- (ii) On 4 August 2008 and 22 August 2008, the Group entered into agreements with two independent third parties pursuant to which the Group subscribed for 50% interest in 寧夏深中天然氣發展有限公司 (“寧夏深中”) for RMB11,000,000 (equivalent to HK\$12,222,000) and acquired further 25% interest in 寧夏深中 from the two independent third parties for a consideration of RMB8,000,000 (equivalent to HK\$8,889,000) respectively. 寧夏深中 has not commenced business at the date of acquisition.

40. 收購附屬公司及增購附屬公司之權益 (續)

(B) 於二零零九年透過收購附屬公司收購之資產 (續)

- (ii) 於二零零八年八月四日及二零零八年八月二十二日，本集團與兩名獨立第三方訂立協議，據此本集團以人民幣11,000,000元（相當於12,222,000港元）認購寧夏深中天然氣發展有限公司（「寧夏深中」）50%權益，並以代價人民幣8,000,000元（相當於8,889,000港元）向該兩名獨立第三方進一步收購寧夏深中25%權益。於收購當日，寧夏深中尚未展開業務。

		HK\$'000 千港元
NET ASSETS ACQUIRED		
Property, plant and equipment	所收購之淨資產 物業、廠房及設備	9,106
Prepaid lease payment	預付租賃付款	836
Intangible assets – exclusive rights of natural gas operations	無形資產 – 天然氣獨家經營權	7,037
Inventories	存貨	1,855
Other receivables	其他應收賬項	4,486
Bank balances and cash	銀行結存及現金	2,672
Other payables	其他應付賬項	(10,066)
		15,926
Cash injection by the Group	本集團之現金注資	12,222
		28,148
Minority interests	少數股東權益	(7,037)
		21,111
SATISFIED BY		
Cash consideration	支付方式 現金代價	8,889
Cash injection to 寧夏深中	向寧夏深中之現金注資	12,222
		21,111
NET CASH OUTFLOW ARISING ON ACQUISITION		
Cash paid	因收購而產生之 現金流出淨額 已付現金	(8,889)
Bank balances and cash acquired	所收購之銀行結存及現金	2,672
		(6,217)

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41. Acquisition of a Jointly Controlled Entity

(A) Acquisition of additional interest in a jointly controlled entity in 2010

On 16 June 2008, a wholly-owned subsidiary of the Company entered into a share transfer agreement with an independent third party pursuant to which the Group acquired 1% additional equity interest in 呼和浩特, a jointly controlled entity in 2009, at a total consideration of RMB10,207,000 (approximately HK\$11,732,000). The acquisition was completed on 1 April 2009.

41. 收購共同控制實體

(A) 於二零一零年收購共同控制實體額外權益

於二零零八年六月十六日，本公司一家附屬公司與一名獨立第三方訂立一份股份轉讓協議，據此，本集團於二零零九年收購共同控制實體呼和浩特額外1%股本權益，總代價為人民幣10,207,000元（約11,732,000港元）。該項收購已於二零零九年四月一日完成。

		HK\$'000 千港元
NET ASSETS ACQUIRED ATTRIBUTABLE TO 1% EQUITY INTEREST IN 呼和浩特	呼和浩特1%股本權益應佔 所收購淨資產	
Investment properties	投資物業	3,386
Property, plant and equipment	物業、廠房及設備	16,294
Prepaid lease payments	預付租賃款項	2,909
Inventories	存貨	335
Trade and other receivables	貿易應收賬款及其他應收賬項	1,927
Pledged bank deposits	已抵押銀行存款	1,047
Bank balances and cash	銀行結存及現金	3,247
Trade and other payables	貿易應付賬款及其他應付賬項	(8,958)
Bank and other borrowings	銀行及其他借貸	(7,727)
Deferred taxation	遞延稅項	(426)
		12,034
Discount on acquisition	收購之折讓	(302)
		11,732
SATISFIED BY	支付方式	
Cash consideration	現金代價	11,732
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之現金流出淨額	
Cash consideration paid	已付現金代價	(11,732)
Bank balances and cash acquired	所收購銀行結存及現金	4,294
		(7,438)

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41. Acquisition of a Jointly Controlled Entity (Continued)

(B) Establishment of a jointly controlled entity in 2009

On 31 August 2008, a jointly controlled entity, China Gas – SK Energy, which the Group owns 50% issued share capital, established a jointly controlled entity in the PRC, namely 金華中燃愛思開匯能城市燃氣發展有限公司(“金華中燃”), which China Gas – SK Energy owns 50% issued share capital. China Gas – SK Energy contributed the capital in cash of RMB70,000,000 (equivalent to HK\$80,269,000) and the other shareholder contributed the capital in the form of assets and liabilities. The assets and liabilities contributed by the other shareholder enables 金華中燃 to continue the operation of the existing natural gas business which the other shareholder previously engaged. This transaction has been accounted for using the purchase method of accounting.

41. 收購共同控制實體(續)

(B) 於二零零九年設立共同控制實體

於二零零八年八月三十一日，China Gas-SK Energy (本集團擁有50%已發行股本之共同控制實體)於中國成立共同控制實體金華中燃愛思開匯能城市燃氣發展有限公司(「金華中燃」)，China Gas-SK Energy於當中擁有50%已發行股本。China Gas-SK Energy以現金方式注資人民幣70,000,000元(相當於80,269,000港元)，而另一股東以資產及負債之方式注資。另一股東所注入之資產及負債令金華中燃繼續經營現有天然氣業務，該業務過往乃由該另一股東進行。該交易採用收購會計法入賬。

		Carrying amount of net assets injected by other shareholder of 金華中燃 金華中燃另一 股東所注入 之淨資產 之賬面值 HK\$'000 千港元	Fair value shareholder of adjustments 公平值調整 HK\$'000 千港元	Fair value of net assets injected by the other shareholder of 金華中燃 金華中燃 另一 股東所注入 之淨資產 之公平值 HK\$'000 千港元	Fair value of net assets under proportionate consolidation 按比例合併法 計算之 淨資產之 賬面值 HK\$'000 千港元
NET ASSETS ACQUIRED	所收購之淨資產				
Property, plant and equipment	物業、廠房及設備	143,382	(33)	143,349	35,837
Trade and other receivables	貿易應收賬款及其他應收賬項	68	(68)	-	-
Inventories	存貨	76	-	76	19
Bank balances and cash	銀行結存及現金	100	-	100	25
Trade and other payables	貿易應付賬款及其他應付賬項	(27,817)	-	(27,817)	(6,954)
		115,809	(101)	115,708	28,927
Cash injection by China Gas – SK Energy	China Gas – SK Energy 之現金注資			80,269	20,067
Discount on acquisition	收購之折讓			-	(8,860)
Total consideration	總代價			195,977	40,134
SATISFIED BY	支付方式				
Cash injection to 金華中燃 by the Group	本集團向金華中燃之現金注資				40,134
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之現金流出淨額				
Cash paid	已付現金				(40,134)
Bank balances and cash acquired	所收購之銀行結存及現金				20,092
					(20,042)

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綜合財務報表附註

For the year ended 31 March 2010

截至二零一零年三月三十一日止年度

42. Acquisition of Businesses

(A) Acquisition of businesses through purchase of subsidiaries in 2010

- (i) On 24 April 2009, a subsidiary of the Group entered into a share transfer agreement with independent third parties pursuant to which the Group acquired 100% equity interest in 南京市浦口區城市燃氣發展有限公司 (“南京新浦口”) at a consideration of RMB7,465,700 (approximately HK\$8,581,000). The transaction was completed on 22 May 2009, on which date the control of 南京新浦口 was passed to the Group.

42. 收購業務

(A) 於二零一零年透過收購附屬公司收購業務

- (i) 於二零零九年四月二十四日，本集團一家附屬公司與獨立第三方訂立一份股份轉讓協議，據此，本集團收購南京市浦口區城市燃氣發展有限公司(「南京新浦口」)之100%股本權益，代價為人民幣7,465,700元(約8,581,000港元)。該項交易已於二零零九年五月二十二日南京新浦口之控制權轉移本集團之日完成。

**Acquiree's
carrying amount
and fair value
before
combination
被收購方於合併
前之賬面值及公平值**
HK\$'000
千港元

NET ASSETS ACQUIRED	所收購之淨資產	
Property, plant and equipment	物業、廠房及設備	5,625
Prepaid lease payment	預付租賃付款	1,021
Inventories	存貨	538
Other receivables	其他應收賬項	485
Bank balances and cash	銀行結存及現金	815
Trade and other payables	貿易應付賬款及其他應付賬項	(3,104)
		5,380
Goodwill	商譽	3,201
		8,581
SATISFIED BY	支付方式	
Cash consideration	現金代價	8,581
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之 現金流出淨額	
Cash consideration paid	已付現金代價	(8,581)
Bank balances and cash acquired	所收購之銀行結存及現金	815
		(7,766)

南京新浦口 is principally engaged in the installation of natural gas pipeline network and sale of natural gas in 南京新浦口 region of Nanjing, the PRC. The goodwill arising on the acquisition of 南京新浦口 is attributable to the anticipated synergy effect of the gas connection and sales of piped gas business of the Company.

南京新浦口 contributed to the Group's revenue of HK\$8,958,000 and loss of HK\$491,000 between the date of acquisition and the end of the reporting period.

南京新浦口之主要業務為於中國南京市南京新浦口區安裝天然氣管道網絡及銷售天然氣。因收購南京新浦口而產生之商譽來自本公司燃氣接駁及銷售管氣業務之預計協同效益。

於收購日期至報告期末期間，南京新浦口為本集團帶來之收購及虧損分別為8,958,000港元及491,000港元。

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綜合財務報表附註

For the year ended 31 March 2010
截至二零一零年三月三十一日止年度

42. Acquisition of Businesses (Continued)

(A) Acquisition of businesses through purchase of subsidiaries in 2010 (Continued)

- (ii) On 30 April 2009, a subsidiary of the Group entered into a share transfer agreement with independent third parties pursuant to which is a non-wholly owned subsidiary of the Group acquired 80% additional equity interest in 上海華辰 at a consideration of RMB54,500,000 (approximately HK\$62,644,000) of which is a non-wholly owned subsidiary of the Group originally held 20% equity interest as at 31 March 2009 and was classified as an associate of the Group. The transaction was completed on 30 May 2009, on which date the control of 上海華辰 was passed to the Group.

42. 收購業務(續)

(A) 於二零一零年透過收購附屬公司收購業務(續)

- (ii) 於二零零九年四月三十日，本集團一家附屬公司與獨立第三方訂立一份股份轉讓協議，據此，本集團一家非全資附屬公司收購上海華辰額外80%股本權益，代價為人民幣54,500,000元（約62,644,000港元）。上海華辰為本集團於二零零九年三月三十一日原先持有20%股本權益之非全資附屬公司，已分類為本集團之聯營公司。該項交易已於二零零九年五月三十日上海華辰之控制權轉移本集團之日完成。

		Acquiree's carrying amount and fair value before combination 被收購方於合併 前之賬面值及公平值 HK\$'000 千港元
NET ASSETS ACQUIRED	所收購之淨資產	
Property, plant and equipment	物業、廠房及設備	128,259
Available-for-sale investments	可供出售投資	1,034
Trade and other receivables	貿易應收賬款及其他應收賬項	46,400
Bank balances and cash	銀行結存及現金	199
Trade and other payables	貿易應付賬款及其他應付賬項	(36,753)
Amount due to a vendor	應付供應商款項	(83,943)
		55,196
Less: Interest held prior to acquisition	減：收購前持有之權益	
– Interest in an associate	– 於一家聯營公司之權益	(17,628)
Goodwill	商譽	25,076
		62,644
SATISFIED BY	支付方式	
Cash consideration	現金代價	62,644
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之現金流出淨額	
Cash consideration paid	已付現金代價	(62,644)
Bank balances and cash acquired	所收購之銀行結存及現金	199
		(62,445)

上海華辰 principally engages in the provision of shipping delivery services, technical development, providing consultancy services and agent of delivery. The goodwill arising on the acquisition of 上海華辰 is attributable to the anticipated synergy effect of the shipping delivery business of the Company.

上海華辰 contributed to the Group's loss of HK\$5,443,000 between the date of acquisition and the end of the reporting period. No revenue is contributed by 上海華辰 to the Group as the principal activity is different from that of the Group, and the revenue of 上海華辰 was classified as other income of the Group.

上海華辰之主要業務為提供航運服務、技術開發、提供顧問服務及運輸代理。因收購上海華辰而產生之商譽來自本公司航運業務之預計協同效益。

於收購日期至報告期末期間，上海華辰令本集團蒙受虧損5,443,000港元。由於上海華辰之主要業務有別於本集團，故上海華辰並無為本集團帶來收入貢獻，而上海華辰之收入已分類為本集團之其他收入。

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For the year ended 31 March 2010

截至二零一零年三月三十一日止年度

42. Acquisition of Businesses (Continued)

(A) Acquisition of businesses through purchase of subsidiaries in 2010 (Continued)

- (iii) On 26 April, 2009, the Company entered into a conditional agreement with Chinese People Holdings Company Limited pursuant to which the Company acquired 100% equity interest in Brilliant China and its subsidiary, Beijing Zhongmin Zhongran Trading Company Limited ("Zhongmin Zhongran"), which in turn holds 45.45% of registered capital of Fujian Anran which is considered as a jointly controlled entity of the Group, at the consideration of HK\$339,277,000.

At the same time, a subsidiary of the Company also entered into a conditional agreement with Beijing Zhongmin Company Limited pursuant to which the subsidiary acquired 3.55% equity interest of Fujian Anran at the consideration of RMB40,000,000 (approximately HK\$45,977,000).

The acquisition was completed on 31 August 2009, on which date the control of Brilliant China was passed to the Group.

42. 收購業務(續)

(A) 於二零一零年透過收購附屬公司收購業務(續)

- (iii) 於二零零九年四月二十六日，本公司及中民控股有限公司訂立有條件協議，據此，本公司按代價339,277,000港元收購Brilliant China及其附屬公司北京中民中燃貿易有限公司(「中民中燃」) 100%股本權益，中民中燃持有福建安然註冊資本45.45%，故福建安然被視為本集團之共同控制實體。

同時，本公司附屬公司亦與Beijing Zhongmin Company Limited訂立有條件協議，據此附屬公司按代價人民幣40,000,000元(約45,977,000港元)收購福建安然3.55%股本權益。

該項收購已於二零零九年八月三十一日Brilliant China之控制權轉移本集團之日完成。

		Acquiree's amount before combination 被收購方於合併 前之賬面值 HK\$'000 千港元	Fair value adjustments 公平值調整 HK\$'000 千港元	Fair values 公平值 HK\$'000 千港元
NET ASSETS ACQUIRED	所收購之淨資產			
Property, plant and equipment	物業、廠房及設備	262,895	45,495	308,390
Prepaid lease payments	預付租賃付款	13,680	8,538	22,218
Intangible assets – exclusive rights of natural gas operations	無形資產— 天然氣獨家經營權	–	298,574	298,574
Interests in associates	於聯營公司之權益	31,098	24,424	55,522
Inventories	存貨	1,248	–	1,248
Trade and other receivables	貿易應收賬款及 其他應收賬項	40,057	–	40,057
Bank balances and cash	銀行結存及現金	29,406	–	29,406
Trade and other payables	貿易應付賬款及 其他應付賬項	(99,532)	–	(99,532)
Obligation on capital injection to Fujian Anran by Zhongmin Zhongran	中民中燃向福建安然 之注資責任	(46,897)	–	(46,897)
Bank borrowings	銀行借貸	(158,039)	–	(158,039)
Deferred taxation	遞延稅項	–	(88,152)	(88,152)
		73,916	288,879	362,795
Minority interest	少數股東權益			(77,407)
Goodwill	商譽			99,866
				385,254
SATISFIED BY	支付方式			
Cash consideration	現金代價			385,254
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之 現金流出淨額			
Cash paid	已付現金			(385,254)
Bank balances and cash acquired	所收購之銀行結存及現金			29,406
				(355,848)

42. Acquisition of Businesses (Continued)

(A) Acquisition of businesses through purchase of subsidiaries in 2010 (Continued)

(iii) (Continued)

Zhongmin Zhongran is principally engaged in, among other matters, wholesale of gas equipment and parts, import and export business, technical consultation and technical service provider and Fujian Anran is principally engaged in the provision of gas fuel and gas pipeline connection, transportation and distribution of liquefied petroleum gas and retail of bottled liquefied petroleum gas and supply of video lottery operating system and bottled equipment in the PRC. The goodwill arising on the acquisition of Brilliant China is attributable to the anticipated profitability of the gas connection and sales of piped gas businesses of this group.

The fair value of the property, plant and equipment has been arrived at on the basis of a valuation carried out as at 31 August 2009 by CB Richard Ellis Limited. The valuation was arrived at using the depreciated replacement cost method. The valuation has taken into consideration several factors including current price of materials, labour and contractor's overhead which was available in the market if the Group acquire or build the same assets as at the valuation date after deduction of depreciation based on the economics useful life of the assets and the current condition of the assets.

The fair value of the intangible assets has been arrived at on the basis of a valuation carried out as at valuation dated 31 August 2009 by CB Richard Ellis Limited. The valuation was arrived at using multiple-period excess earning method. The valuation was determined by discounting the value of expected economic benefits that exceed an appropriate rate of return on other assets being used to generate anticipated economic benefits. The discount rate of 14% used in the valuation comprises the cost of equity and cost of debt of the entity.

Brilliant China contributed to the Group's revenue and profit of HK\$98,855,000 and of HK\$21,732,000 respectively between the date of acquisition and the end of the reporting period.

42. 收購業務(續)

(A) 於二零一零年透過收購附屬公司收購業務(續)

(iii) (續)

中民中燃之主要業務為(其中包括)批發燃氣設備及部件、進出口業務、技術顧問及提供技術服務。福建安然之主要業務為於中國提供燃氣及天然氣接駁、運輸及分銷液化石油氣,以及零售瓶裝液化石油氣及供應視頻彩票系統及瓶裝設備。因收購Brilliant China而產生之商譽來自此集團燃氣接駁及銷售管道燃氣業務之預計盈利能力。

物業、廠房及設備之公平值乃根據世邦魏理仕有限公司於二零零九年八月三十一日進行之估值達致。該估值採用折舊重置成本法達致。估值時已考慮之多種因素,包括倘本集團購置或興建同一資產時,根據該等資產於估值日之經濟可使用年期及資產現況,扣減折舊後市上可得之材料現價、勞工及承包商間接成本。

無形資產之公平值乃根據世邦魏理仕有限公司於二零零九年八月三十一日進行之估值達致。該估值採用多期超額盈利法達致。估值乃將預計經濟利益超出用以產生預計經濟利益之其他資產之適當回報率之價值貼現釐定。估值所採用之貼現率14%包括實體之權益成本及債務成本。

於收購日期至報告期末期間, Brilliant China為本集團帶來收入及溢利貢獻分別為98,855,000港元及21,732,000港元。

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42. Acquisition of Businesses (Continued)

(A) Acquisition of businesses through purchase of subsidiaries in 2010 (Continued)

- (iv) On 8 April 2009, a subsidiary of the Group entered into an acquisition agreement with an independent third party pursuant to which the Group acquired 80% equity interest in 遼陽中燃 at a consideration of RMB74,122,000 (approximately HK\$85,198,000). The acquisition was completed on 30 April 2009, on which date the control of 遼陽中燃 was passed to the Group.

42. 收購業務(續)

(A) 於二零一零年透過收購附屬公司收購業務(續)

- (iv) 於二零零九年四月八日，本集團一家附屬公司與一名獨立第三方訂立一份收購協議，據此，本集團收購遼陽中燃80%股本權益，代價為人民幣74,122,000元(約85,198,000港元)。該項收購已於二零零九年四月三十日遼陽中燃之控制權轉移本集團之日完成。

		Acquiree's carrying amount before combination 被收購方於合併 前之賬面值 HK\$'000 千港元	Fair value adjustments 公平值調整 HK\$'000 千港元	Fair values 公平值 HK\$'000 千港元
NET ASSETS ACQUIRED	所收購淨資產			
Property, plant and equipment	物業、廠房及設備	64,908	-	64,908
Prepaid lease payments	預付租賃款項	25,336	-	25,336
Available-for-sale investments	可供出售投資	586	-	586
Intangible assets— exclusive right of natural gas operation	無形資產— 天然氣獨家經營權	-	10,559	10,559
Trade and other receivables	貿易應收賬款及 其他應收賬項	29,345	-	29,345
Inventories	存貨	12,378	-	12,378
Bank balances and cash	銀行結存及現金	11,908	-	11,908
Trade and other payables	貿易應付賬款及 其他應付賬項	(48,539)	-	(48,539)
Bank borrowings	銀行借貸	(31,264)	-	(31,264)
Deferred taxation	遞延稅項	-	(2,640)	(2,640)
		64,658	7,919	72,577
Minority interest	少數股東權益			(14,515)
Goodwill	商譽			27,136
				85,198
SATISFIED BY	支付方式			
Cash consideration	現金代價			85,198
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之 現金流出淨額			
Cash consideration paid	已付現金代價			(85,198)
Bank balances and cash acquired	所收購之銀行結存 及現金			11,908
				(73,290)

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42. Acquisition of Businesses (Continued)

(A) Acquisition of businesses through purchase of subsidiaries in 2010 (Continued)

(iv) (Continued)

遼陽中燃 principally engages in the installation of natural gas pipeline network and sale of natural gas in PRC. The goodwill arising on the acquisition of 遼陽中燃 is attributable to the anticipated profitability of the gas connection and sales of piped gas businesses of 遼陽中燃.

遼陽中燃 contributed to the Group's revenue and profit of HK\$74,152,000 and of HK\$2,959,000 respectively between the date of acquisition and the end of the reporting period.

(v) On 11 November 2009, a subsidiary of the Group entered into an acquisition agreement with an independent third party pursuant to which the Group acquired 100% equity interest in 牡丹江大通燃氣 at a consideration of RMB97,000,000 (approximately HK\$111,494,000). The acquisition was completed on 16 December 2009, on which date the control of in 牡丹江大通燃氣 was passed to the Group.

42. 收購業務(續)

(A) 於二零一零年透過收購附屬公司收購業務(續)

(iv) (續)

遼陽中燃之主要業務為於中國安裝天然氣管道網絡及銷售天然氣。因收購遼陽中燃而產生之商譽來自遼陽中燃燃氣接駁及銷售管道燃氣業務之預計盈利能力。

於收購日期至報告期末期間，遼陽中燃為本集團帶來收入及溢利貢獻分別為74,152,000港元及2,959,000港元。

(v) 於二零零九年十一月十一日，本集團一家附屬公司與一名獨立第三方訂立一份收購協議，據此，本集團收購牡丹江大通燃氣之100%股本權益，代價為人民幣97,000,000元(約111,494,000港元)。該項收購已於二零零九年十二月十六日牡丹江大通燃氣之控制權轉移本集團之日完成。

		Acquiree's carrying amount before combination 被收購方於合併前之賬面值 HK\$'000 千港元	Fair value adjustments 公平值調整 HK\$'000 千港元	Provisional fair values 暫時公平值 HK\$'000 千港元
NET ASSETS ACQUIRED	所收購淨資產			
Property, plant and equipment	物業、廠房及設備	112,917	-	112,917
Prepaid lease payments	預付租賃款項	13,250	15,721	28,971
Intangible assets- exclusive right of natural gas operation	無形資產- 天然氣獨家經營權	-	12,091	12,091
Trade and other receivables	貿易應收賬款及其他應收賬項	3,553	-	3,553
Inventories	存貨	6,854	-	6,854
Bank balances and cash	銀行結存及現金	1,164	-	1,164
Trade and other payables	貿易應付賬款及其他應付賬項	(63,514)	-	(63,514)
Bank borrowings	銀行借貸	(13,985)	-	(13,985)
Deferred taxation	遞延稅項	-	(6,953)	(6,953)
		60,239	20,859	81,098
Goodwill	商譽			30,396
				111,494
SATISFIED BY	支付方式			
Cash consideration	現金代價			111,494
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之現金流出淨額			
Cash consideration paid	已付現金代價			(111,494)
Bank balances and cash acquired	所收購之銀行結存及現金			1,164
				(110,330)

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42. Acquisition of Businesses (Continued)

(A) Acquisition of businesses through purchase of subsidiaries in 2010 (Continued)

(v) (Continued)

Note: The initial accounting for the above acquisition has been determined provisionally, awaiting the receipt of professional valuations in relation to certain underlying assets and liabilities of the acquiree.

牡丹江大通燃氣 principally engages in the installation of natural gas pipeline network and sale of natural gas in PRC. The goodwill arising on the acquisition of 牡丹江大通燃氣 is attributable to the anticipated profitability of the gas connection and sales of piped gas businesses of 牡丹江大通燃氣.

牡丹江大通燃氣 contributed to the Group's revenue and profit of HK\$10,114,000 and of HK\$943,000 respectively between the date of acquisition and the end of the reporting period.

- (vi) On 18 December 2009, a subsidiary of the Group entered into an acquisition agreement with an independent third party pursuant to which the Group acquired 80% equity interest in 南昌中燃 at a consideration of RMB28,000,000 (approximately HK\$32,184,000). The acquisition was completed on 31 January 2010, on which date the control of 南昌中燃 was passed to the Group.

42. 收購業務(續)

(A) 於二零一零年透過收購附屬公司收購業務(續)

(v) (續)

附註：上述收購事項之初步會計處理乃臨時釐定，仍須待獲取被收購方就有關若干相關資產及負債之專業估值。

牡丹江大通燃氣之主要業務為於中國安裝天然氣管道網絡及銷售天然氣。因收購牡丹江大通燃氣而產生之商譽來自牡丹江大通燃氣燃氣接駁及銷售管道燃氣業務之預計盈利能力。

於收購日期至報告期末期間，牡丹江大通燃氣為本集團帶來收入及溢利貢獻分別為10,114,000港元及943,000港元。

- (vi) 於二零零九年十二月十八日，本集團一家附屬公司與一名獨立第三方訂立一份收購協議，據此，本集團收購南昌中燃之80%股本權益，代價為人民幣28,000,000元(約32,184,000港元)。該項收購已於二零一零年一月三十一日南昌中燃之控制權轉移本集團之日完成。

		Acquiree's carrying amount before combination 被收購方於合併 前之賬面值 HK\$'000 千港元	Fair value adjustments 公平值調整 HK\$'000 千港元	Provisional fair values 暫時公平值 HK\$'000 千港元
NET ASSETS ACQUIRED	所收購淨資產			
Property, plant and equipment	物業、廠房及設備	168	-	168
Intangible assets	無形資產	-	8,133	8,133
Trade and other receivables	貿易應收賬款及 其他應收賬項	45	-	45
Inventories	存貨	174	-	174
Bank balances and cash	銀行結存及現金	15,179	-	15,179
Trade and other payables	貿易應付賬款及 其他應付賬項	(100)	-	(100)
Deferred taxation	遞延稅項	-	(2,033)	(2,033)
		15,466	6,100	21,566
Minority interest	少數股東權益			(4,313)
Goodwill	商譽			14,931
				32,184
SATISFIED BY	支付方式			
Cash consideration	現金代價			32,184
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之 現金流出淨額			
Cash consideration paid	已付現金代價			(32,184)
Bank balances and cash acquired	所收購之銀行結存 及現金			15,179
				(17,005)

42. Acquisition of Businesses (Continued)

(A) Acquisition of businesses through purchase of subsidiaries in 2010 (Continued)

(vi) (Continued)

Note: The initial accounting for the above acquisition has been determined provisionally, awaiting the receipt of professional valuations in relation to certain underlying assets and liabilities of the acquiree.

南昌中燃 principally engages in the installation of natural gas pipeline network and sale of natural gas in PRC. The goodwill arising on the acquisition of 南昌中燃 is attributable to the anticipated profitability of the gas connection and sales of piped gas businesses of 南昌中燃.

南昌中燃 contributed to the Group's revenue and loss of HK\$139,000 and of HK\$284,000 respectively between the date of acquisition and the end of the reporting period.

- (vii) On April 29, 2006, a subsidiary of the Group entered into a share transfer agreement with 廣西南方食品集團股份有限公司(“南方食品”) (formerly known as 廣西南方控股股份有限公司), the ultimate holding company of 南寧管道(“First Vendor”) pursuant to which the subsidiary agreed to acquire 60% equity interest in 南寧管道 at an aggregate consideration of RMB111,000,000 (approximately HK\$127,586,000). As at March 31, 2009, the transaction has not yet been completed as it was pending for the completion of change in the shareholders of 南寧管道 for 南方食品 to get the control of 南寧管道 pursuant to the share transfer agreement.

In January, 2010, that subsidiary entered into another share transfer agreement with the minority shareholder of 南寧管道 (“Second Vendor) pursuant to which the subsidiary agreed to acquire 20% equity interest in 南寧管道 at a consideration of RMB33,000,000 (approximately HK\$37,931,000). This acquisition was completed in early March, 2010.

Because of the successful acquisition from the Second Vendor, the Group decided to revise the share transfer agreement with the First Vendor at March 11, 2010 and acquire only 40% equity interest in 南寧管道. The consideration was adjusted upward to RMB122,700,000 (approximately HK\$141,035,000) to slightly compensate the First Vendor on the increase in the fair value of the net assets of 南寧管道 since 2006. The acquisition of 40% equity interest from First Vendor was completed on March 31, 2010, on which date the control of 南寧管道 was passed to the Group.

42. 收購業務(續)

(A) 於二零一零年透過收購附屬公司收購業務(續)

(vi) (續)

附註：上述收購事項之初步會計處理乃臨時釐定，仍須待獲取被收購方就有關若干相關資產及負債之專業估值。

南昌中燃之主要業務為於中國安裝天然氣管道網絡及銷售天然氣。因收購南昌中燃而產生之商譽來自南昌中燃燃氣接駁及銷售管道燃氣業務之預計盈利能力。

於收購日期至報告期末期間，南昌中燃為本集團帶來收入貢獻及蒙受虧損分別為139,000港元及284,000港元。

- (vii) 於二零零六年四月二十九日，本集團附屬公司與南寧管道最終控股公司廣西南方食品集團股份有限公司(「南方食品」)(前稱廣西南方控股股份有限公司)(「第一賣方」)訂立股份轉讓協議，據此附屬公司同意收購南寧管道60%股本權益，總代價為人民幣111,000,000元(約127,586,000港元)。由於有待南寧管道完成股東變更，以便南方食品根據股份轉讓協議獲取南寧管道之控制權，故於二零零九年三月三十一日，該交易尚未完成。

於二零一零年一月，該附屬公司與南寧管道少數股東(「第二賣方」)訂立另一股份轉讓協議，據此附屬公司同意收購南寧管道20%股本權益，代價為人民幣33,000,000元(約37,931,000港元)。此項收購已於二零一零年三月初完成。

由於成功向第二賣方進行收購，本集團於二零一零年三月十一日決定，修改與第一賣方訂立之股份轉讓協議，只收購南寧管道40%股本權益。代價上調至人民幣122,700,000元(約141,035,000港元)，就南寧管道自二零零六年以來淨資產之公平值增加向第一賣方稍作補償。向第一賣方收購40%股本權益已於二零一零年三月三十一日(即南寧管道之控制權交予本集團之日)完成。

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截至二零一零年三月三十一日止年度

42. Acquisition of Businesses (Continued)

(A) Acquisition of businesses through purchase of subsidiaries in 2010 (Continued)

(vii) (Continued)

42. 收購業務(續)

(A) 於二零一零年透過收購附屬公司收購業務(續)

(vii) (續)

		Acquiree's amount before combination 被收購方於合併 前之賬面值 HK\$'000 千港元	Fair value adjustments 公平值調整 HK\$'000 千港元	Fair values 公平值 HK\$'000 千港元
NET ASSETS ACQUIRED	所收購淨資產			
Property, plant and equipment	物業、廠房及設備	507,034	59,220	566,254
Prepaid lease payments	預付租賃款項	11,280	-	11,280
Intangible assets – exclusive right of natural gas operation	無形資產 – 天然氣獨家經營權	-	625,040	625,040
Trade and other receivables	貿易應收賬款及 其他應收賬項	16,541	-	16,541
Inventories	存貨	7,164	-	7,164
Bank balances and cash	銀行結存及現金	7,837	-	7,837
Trade and other payables	貿易應付賬款及 其他應付賬項	(432,254)	-	(432,254)
Bank borrowings	銀行借貸	(39,046)	-	(39,046)
Deferred taxation	遞延稅項	-	(171,065)	(171,065)
		78,556	513,195	591,751
Minority interest	少數股東權益			(236,700)
Discount on acquisition	收購之折讓			(176,085)
				178,966
SATISFIED BY	支付方式			
Cash consideration paid by the Group	本集團已付現金代價			37,587
Deposit paid for acquisition	已付收購按金			63,218
Deferred cash consideration	遞延現金代價			78,161
				178,966
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之 現金流出淨額			
Cash consideration paid	已付現金代價			(37,587)
Bank balances and cash acquired	所收購之銀行結存 及現金			7,837
				(29,750)

42. Acquisition of Businesses (Continued)

(A) Acquisition of businesses through purchase of subsidiaries in 2010 (Continued)

(vii) (Continued)

According to the share transfer agreement with the First Vendor, the remaining cash consideration should be settled within 5 business days after the legal title of 南寧管道 has been passed to the subsidiary of the Group. The deferred cash consideration has been settled in April 2010. 南寧管道 principally engages in the installation of natural gas pipeline network and sale of natural gas in PRC.

The fair value of the property, plant and equipment has been arrived at on the basis of a valuation carried out as at 31 March 2010, by CB Richard Ellis Limited. The valuation was arrived at using the cost of depreciated replacement cost method. The valuation has taken into consideration several factors including current price of materials, labour and contractor's overhead which was available in the market if the Group acquire or build the same assets as at the valuation date after deduction of depreciation based on the economics useful life of the assets and the current condition of the assets.

The fair value of the intangible assets has been arrived at on the basis of a valuation carried out as at 31 March 2010, by CB Richard Ellis Limited. The valuation was arrived at using multiple-period excess earning method. The valuation was determined by discounting the value of expected economic benefits that exceed an appropriate rate of return on other assets being used to generate anticipated economic benefits. The discount rate of 14% used in the valuation comprises the cost of equity and cost of debt of 南寧管道.

The directors of the Company have reassessed the identification and measurement of fair values of Nanning Pipeline's identifiable assets, liabilities and contingent liabilities. The net fair value of the identifiable assets, liabilities and contingent liabilities of Nanning Pipeline attributable to the 60% shareholding acquired by the Company exceeded the cost of acquisition by an amount of HK\$176,085,000, which represented a discount on acquisition of Nanning Pipeline, and has been recognised in the consolidated income statement for the year ended 31 March 2010.

42. 收購業務(續)

(A) 於二零一零年透過收購附屬公司收購業務(續)

(vii) (續)

根據與第一賣方訂立之該項股份轉讓協議，餘下現金代價應於南寧管道之法定所有權轉移本集團之附屬公司後5個營業日內支付。遞延現金代價已於二零一零年四月支付。南寧管道之主要業務為於中國安裝天然氣管道網絡及銷售天然氣。

物業、廠房及設備之公平值乃根據世邦魏理仕有限公司於二零一零年三月三十一日進行之估值達致。該估值採用折舊重置成本法達致。估值時已考慮之多種因素，包括倘本集團購置或興建同一資產時，根據該等資產於估值日之經濟可使用年期及資產現況，扣減折舊後市上可得之材料現價、勞工及承包商間接成本。

無形資產之公平值乃根據世邦魏理仕有限公司於二零一零年三月三十一日進行之估值達致。該估值採用多期超額盈利法達致。估值乃將預計經濟利益超出用以產生預計經濟利益之其他資產之適當回報率之價值貼現釐定。估值所採用之貼現率14%包括南寧管道之權益成本及債務成本。

本公司董事已重新評估南寧管道可識別資產、負債及或然負債之識別及計量。本公司所收購之60%股權應佔南寧管道可識別資產、負債及或然負債之公平淨值超過收購成本176,085,000港元，為收購南寧管道之折讓，已於截至二零一零年三月三十一日止年度之綜合收益表內確認。

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綜合財務報表附註

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42. Acquisition of Businesses (Continued)

(A) Acquisition of businesses through purchase of subsidiaries in 2010 (Continued)

(vii) (Continued)

The management consider that the discount on acquisition of HK\$176,085,000 arising on the acquisition of 南寧管道 was mainly due to the below market consideration for the acquisition of 60% equity interest in 南寧管道 agreed in 2006 in which the Group was willing to enter into the share transfer agreement with the First Vendor, at which time a lawsuit on the First Vendor's ownership on 南寧管道 was undergoing. In addition, the fair value of the net assets of 南寧管道 was increased between the date of share transfer agreement in 2006 to the completion date of the acquisition as the economic environment for operating natural gas business in the PRC is getting more favourable. Although the consideration was adjusted upward subsequently, the adjustment is not in line with the increase in the fair value of the net assets of 南寧管道.

The Group has applied the similar basis for the negotiation of the consideration for the acquisition of the 20% equity interest in 南寧管道 from the Second Vendor in January, 2010 and a below market consideration was resulted as well.

If the above acquisitions during the year ended 31 March 2010 had been completed on 1 April 2009, total group revenue and profit for the year would have been HK\$673,682,000 and HK\$100,453,000 respectively. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of the operations of the Group that actually would have been achieved had above acquisitions been completed on 1 April 2009, nor is it intended to be projection of future results.

42. 收購業務(續)

(A) 於二零一零年透過收購附屬公司收購業務(續)

(vii) (續)

管理層認為，因收購南寧管道而產生之收購折讓176,085,000港元主要由於本集團於二零零六年願意就收購南寧管道60%股本權益而與第一賣方訂立之股份轉讓協議所協定低於市價之收購代價，當時正就第一賣方對南寧管道之擁有權面臨訴訟。此外，南寧管道淨資產之公平值於二零零六年至收購完成日期期間增加，原因是於中國經營天然氣業務之經濟環境好轉。儘管其後已上調代價，惟調整與南寧管道淨資產之公平值增加並不相符。

本集團就於二零一零年一月向第二賣方收購南寧管道20%股本權益之代價進行磋商時已使用類似基準，故亦協定低於市價之代價。

倘於截至二零一零年三月三十一日止年度內進行之上述收購事項均已於二零零九年四月一日完成，則年內之總收益及溢利應分別為673,682,000港元及100,453,000港元。備考資料乃僅供列示之用，且不可作為倘上述收購事項均已於二零零九年四月一日完成時，本集團實際能取得之收益及營運業績之指標，亦不擬作為未來業績之預測。

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綜合財務報表附註

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42. Acquisition of Businesses (Continued)

(B) Acquisition of businesses through purchase of subsidiaries in 2009

- (i) On 30 September 2008, the Group acquired 83% equity interests in Zhongyou Hua Dian for cash of RMB501,780,000 (equivalent to HK\$557,533,000).

42. 收購業務(續)

(B) 於二零零九年透過收購附屬公司收購業務

- (i) 於二零零八年九月三十日，本集團以現金人民幣501,780,000元（相當於557,533,000港元）收購中油華電之83%股本權益。

		Acquiree's carrying amount before combination 被收購方於合併 前之賬面值 HK\$'000 千港元	Provisional fair value adjustments 暫時 公平值調整 HK\$'000 千港元	Provisional fair values as previously stated 承前呈列之 暫時公平值 HK\$'000 千港元	Prior year adjustments upon completion of initial accounting 完成初步會計 時之去年調整 HK\$'000 千港元	Adjusted fair values 經調整公平值 HK\$'000 千港元
NET ASSETS ACQUIRED	所收購之淨資產					
Investment properties	投資物業	70,301	-	70,301	-	70,301
Property, plant and equipment	物業、廠房及設備	1,728,955	351,250	2,080,205	(107,498)	1,972,707
Prepaid lease payments	預付租賃款項	143,607	290,004	433,611	-	433,611
Interests in associates	於聯營公司之權益	37,574	-	37,574	(5,366)	32,208
Available-for-sale investment	可供出售投資	29,349	-	29,349	-	29,349
Inventories	存貨	288,326	-	288,326	-	288,326
Trade and other receivables	貿易應收賬款及其他應收賬項	548,987	-	548,987	-	548,987
Pledged bank deposits	已抵押銀行存款	716,692	-	716,692	-	716,692
Bank balances and cash	銀行結存及現金	294,874	-	294,874	-	294,874
Trade and other payables	貿易應付賬款及其他應付賬項	(1,319,157)	-	(1,319,157)	-	(1,319,157)
Bank borrowings	銀行借貸	(2,422,099)	-	(2,422,099)	-	(2,422,099)
Deferred taxation	遞延稅項	-	(160,314)	(160,314)	26,874	(133,440)
		117,409	480,940	598,349	(85,990)	512,359
Minority interests	少數股東權益					(156,183)
Goodwill	商譽					201,357
						557,533
SATISFIED BY	支付方式					
Cash consideration paid by the Group	本集團已付現金代價					519,620
Deferred cash consideration	遞延現金代價					37,913
						557,533
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之現金流出淨額					
Cash consideration paid	已付現金代價					(519,620)
Bank balances and cash acquired	所收購之銀行結存及現金					294,874
						(224,746)

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綜合財務報表附註

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42. Acquisition of Businesses (Continued)

(B) Acquisition of businesses through purchase of subsidiaries in 2009 (Continued)

(i) (Continued)

Zhongyou Hua Dian principally engages in the business of trading of LPG business. The goodwill arising on the acquisition of Zhongyou Hua Dian is attributable to the anticipated profitability of the trading of LPG business of this group.

Zhongyou Hua Dian contributed to the Group's revenue and loss of HK\$2,076,887,000 and HK\$153,342,000 for the year respectively.

The deferred cash consideration will be payable within one year after completion of the acquisition. The amount has been settled during the year ended 31 March 2010.

- (ii) On 11 August 2008, the Group acquired 95% of 湖南明程, which holds 57% of registered capital of 佳木斯恆佳管道燃氣有限公司("佳木斯") for consideration of RMB29,450,000 (equivalent to HK\$33,851,000).

42. 收購業務(續)

(B) 於二零零九年透過收購附屬公司收購業務(續)

(i) (續)

中油華電之主要業務為買賣LPG業務。因收購中油華電而產生之商譽乃基於該集團買賣LPG業務之預期盈利能力所致。

年內，中油華電為本集團帶來之收益及虧損分別為2,076,887,000港元及153,342,000港元。

遞延現金代價須於收購完成後一年內支付。該款項已於截至二零一零年三月三十一日止年度內支付。

- (ii) 於二零零八年八月十一日，本集團以代價人民幣29,450,000元(相當於33,851,000港元)收購湖南明程95%權益，而湖南明程持有佳木斯恆佳管道燃氣有限公司(「佳木斯」)註冊資本57%權益。

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42. Acquisition of Businesses (Continued)

(B) Acquisition of businesses through purchase of subsidiaries in 2009 (Continued)

(ii) (Continued)

		Acquirees' carrying amounts before combination 被收購方於合併前之賬面值 HK\$'000 千港元	Fair value adjustments 公平值調整 HK\$'000 千港元	Fair values 公平值 HK\$'000 千港元
NET ASSETS ACQUIRED	所收購淨資產			
Property, plant and equipment	物業、廠房及設備	46,319	–	46,319
Prepaid lease payment	預付租賃款項	2,187	–	2,187
Intangible asset – exclusive rights of natural gas operations	無形資產 – 天然氣獨家經營權	–	3,558	3,558
Trade and other receivables	貿易應收賬款及其他應收賬項	46,356	–	46,356
Bank balances and cash	銀行結存及現金	6,713	–	6,713
Trade and other payables	貿易應付賬款及其他應付賬項	(99,988)	–	(99,988)
Deferred taxation	遞延稅項	–	(889)	(889)
		1,587	2,669	4,256
Minority interests	少數股東權益			(24,093)
Goodwill	商譽			53,688
Total consideration	總代價			33,851
SATISFIED BY	支付方式			
Cash consideration paid by the Group	本集團已付現金代價			23,696
Deferred cash consideration	遞延現金代價			10,155
				33,851
NET CASH OUTFLOW ARISING ON ACQUISITION	因收購而產生之現金流出淨額			
Cash consideration paid	已付現金代價			(23,696)
Bank balances and cash acquired	所收購之銀行結存及現金			6,713
				(16,983)

湖南明程 is an investment holding company and 佳木斯 is engaged in the operation of gas connection and sales of piped gas businesses in the PRC. The goodwill arising on the acquisition of 湖南明程 is attributable to the anticipated profitability of the gas connection and sales of piped gas businesses of this group.

湖南明程 contributed to the Group's revenue and profit of HK\$78,579,000 and HK\$32,076,000 respectively for the year.

湖南明程為投資控股公司，而佳木斯之主要業務為在中國經營燃氣接駁及銷售管道燃氣業務。因收購湖南明程而產生之商譽乃基於該集團燃氣接駁及銷售管道燃氣業務之預期盈利能力所致。

年內，湖南明程為本集團帶來收益及溢利分別78,579,000港元及32,076,000港元。

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42. Acquisition of Businesses (Continued)

(B) Acquisition of businesses through purchase of subsidiaries in 2009 (Continued)

(ii) (Continued)

The deferred cash consideration will be payable within one year after completion of the acquisition. The amount has been settled during the year ended 31 March 2010.

- (iii) On 11 July 2008, the Group entered into cooperation agreement with independent third parties pursuant to which the Group acquired 51% equity interest in 大連金城燃氣有限公司 (“大連金城”) for RMB13,490,000 (equivalent to HK\$15,506,000) and the other shareholder contributed the additional capital in form of assets and liabilities.

42. 收購業務(續)

(B) 於二零零九年透過收購附屬公司收購業務(續)

(ii) (續)

遞延現金代價須於收購完成後一年內支付。該款項已於截至二零一零年三月三十一日止年度內支付。

- (iii) 於二零零八年七月十一日，本集團與獨立第三方訂立合作協議，據此本集團以人民幣13,490,000元(相當於15,506,000港元)收購大連金城燃氣有限公司(「大連金城」)51%股本權益，而另一股東以資產及負債之方式注入額外資金。

		Acquirees' carrying amounts before combination 被收購方於合併 前之賬面值 HK\$'000 千港元	Fair value adjustments 公平值調整 HK\$'000 千港元	Fair values 公平值 HK\$'000 千港元
NET ASSETS ACQUIRED	所收購之淨資產			
Property, plant and equipment	物業、廠房及設備	16,751	-	16,751
Intangible asset – exclusive rights of natural gas operations	無形資產 – 天然氣獨家經營權	-	3,566	3,566
Prepaid lease payment	預付租賃付款	195	-	195
Inventories	存貨	458	-	458
Other receivables	其他應收賬項	1,544	-	1,544
Bank balances and cash	銀行結存及現金	244	-	244
Trade and other payables	貿易應付賬款及 其他應付賬項	(6,742)	-	(6,742)
Deferred taxation	遞延稅項	-	(891)	(891)
		12,450	2,675	15,125
Cash injection by the Group	本集團注入現金			15,506
Minority interests	少數股東權益			(15,125)
				15,506
SATISFIED BY	支付方式			
Cash injection by the Group	本集團注入現金			15,506
NET CASH INFLOW ARISING ON ACQUISITION	因收購而產生之 現金流入淨額			
Bank balances and cash acquired	所收購之銀行結存 及現金			244

42. Acquisition of Businesses (Continued)**(B) Acquisition of businesses through purchase of subsidiaries in 2009 (Continued)****(iii) (Continued)**

大連金城 is principally engaged in the installation of nature gas pipeline network and related facilities and sale of natural gas in the PRC.

大連金城 contributed to the Group's revenue and loss of HK\$548,000 and HK\$567,000 respectively for the year.

If the above acquisitions during the year ended March 31, 2009 had been completed on 1 April 2008, total group revenue and profit for the year would have been HK\$9,188,455,000 and HK\$32,490,000 respectively. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had above acquisitions been completed on 1 April 2008, nor is it intended to be projection of future results.

43. Disposal of a Subsidiary

On 16 December 2009, the Group and the minority shareholders contributed RMB5,600,000 (approximately HK\$6,437,000) and RMB10,400,000 (approximately HK\$11,954,000) to 榆林中燃, a subsidiary in which the Group held originally 60% equity interest before capital contribution made on December 2009. The capital contributed has led to a decrease in the Group's shareholding in 榆林中燃 from 60% to 40% as well as a change of the composition of the board of directors. According to the new Article of Association, all the major financial and operating decisions must require unanimous consent from all venturers. 榆林中燃 was reclassified to a jointly controlled entity of the Group. The net assets of 榆林中燃 to be disposed of at the date of disposal were as follows:

42. 收購業務(續)**(B) 於二零零九年透過收購附屬公司收購業務(續)****(iii) (續)**

大連金城之主要業務為在中國從事天然氣管道網絡及相關設施安裝及銷售天然氣業務。

年內，大連金城為本集團帶來之收益及虧損分別為548,000港元及567,000港元。

倘上述於截至二零零九年三月三十一日止年度之收購事項均已於二零零八年四月一日完成，年內之總收益及溢利將為9,188,455,000港元及32,490,000港元。備考資料乃僅供列示之用，且不可作為倘上述收購事項均已於二零零八年四月一日完成時，本集團實際能取得之收益及營運業績之指標，亦不擬作為未來業績之預測。

43. 出售一家附屬公司

於二零零九年十二月十六日，本集團及少數股東分別向榆林中燃(本集團於二零零九年十二月注資前原先持有60%股本權益之附屬公司)注入人民幣5,600,000元(約6,437,000港元)及人民幣10,400,000元(約11,954,000港元)。注資導致本集團於榆林中燃之股權由60%減少40%及董事會組成變更。根據新組織章程細則，所有主要財務及營運決策必須經由全體資方一致同意。榆林中燃已重新分類為本集團之共同控制實體。於出售日期，所出售之榆林中燃淨資產如下：

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43. Disposal of a Subsidiary (Continued)

43. 出售一家附屬公司(續)

		HK\$'000 千港元
60% OF NET ASSETS OF 榆林中燃 DISPOSED OF	已出售榆林中燃之60%淨資產	
Property, plant and equipment	物業、廠房及設備	26
Other receivables	其他應收賬項	26
Bank balances and cash	銀行結存及現金	13,134
		13,186
Minority interests	少數股東權益	(1,373)
		11,813
Gain on disposal	出售收益	141
Capital contributed by other shareholder	其他股東注資	11,954
NET CASH OUTFLOW ARISING ON DISPOSAL	因出售而產生之現金流出淨額	
Capital contributed by the other shareholder	其他股東注資	11,954
Bank balances and cash acquired	已收購銀行結存及現金	(13,134)
		(1,180)

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44. Disposal of Jointly Controlled Entities

- (i) Pursuant to an ordinary resolution passed in the board of directors' meeting of 紹興中燃城市燃氣發展有限公司 (“紹興中燃”) held on 30 September 2009, the Group applied to dissolve 紹興中燃. The dissolution was completed on 28 December 2009 and the loss which arose on dissolution of jointly controlled entity was HK\$3,791,000.

44. 出售共同控制實體

- (i) 根據紹興中燃城市燃氣發展有限公司 (“紹興中燃”)於二零零九年九月三十日舉行之董事會會議上通過之一項普通決議案，本集團已申請解散紹興中燃。解散工作已於二零零九年十二月二十八日完成，並解散共同控制實體所產生之有關虧損為3,791,000港元。

		HK\$'000 千港元
NET ASSETS OF JOINTLY CONTROLLED ENTITY DISSOLVED	已解散共同控制實體之淨資產	
Property, plant and equipment	物業、廠房及設備	20,328
Bank balances and cash	銀行結存及現金	21,821
		42,149
Loss on dissolution	解散虧損	(3,791)
Refund of capital upon the dissolution	因解散已獲資本回款	38,358
SATISFIED BY	支付方式	
Cash received by the Group	本集團已收現金	38,358
NET CASH INFLOW ARISING ON DISSOLUTION	因解散而產生之現金流入淨額	
Cash received by the Group	本集團已收現金	38,358
Bank balances and cash disposed of	已出售銀行結存及現金	(21,821)
		16,537

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44. Disposal of Jointly Controlled Entities (Continued)

- (ii) Pursuant to an ordinary resolution passed in the annual general meeting of 中燃投資 held on 26 May 2009, the Group entered into a share transfer agreement with 重慶鼎發, an associate of the Group. The disposal was completed on 1 November 2009 and the consideration received from disposal of jointly controlled entity was HK\$16,000,000. The net assets of 重慶鼎旺 at the date of disposal were as follows:

44. 出售共同控制實體(續)

- (ii) 根據中燃投資於二零零九年五月二十六日舉行之股東週年大會所通過之一項普通決議，本集團與重慶鼎發(本集團之聯營公司)訂立一份股份轉讓協議。是項出售已於二零零九年十一月一日完成，出售共同控制實體所收取之代價為16,000,000港元。於出售日期，重慶鼎旺之淨資產如下：

		HK\$'000 千港元
49% NET ASSETS OF 重慶鼎旺 DISPOSED OF	已出售重慶鼎旺之 49%淨資產	
Property, plant and equipment	物業、廠房及設備	28,342
Inventories	存貨	796
Trade and other receivables	貿易應收賬款及其他應收賬項	937
Bank balances and cash	銀行結存及現金	18
Trade and other payables	貿易應付賬款及其他應付賬項	(12,070)
		18,023
Loss on disposal	出售虧損	(2,023)
		16,000
SATISFIED BY	支付方式	
Cash consideration received by the Group	本集團已收現金代價	16,000
NET CASH INFLOW ARISING ON DISPOSAL	因出售而產生之現金流入淨額	
Cash consideration	現金代價	16,000
Bank balances and cash disposed of	已出售銀行結存及現金	(18)
		15,982

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45. Operating Lease Arrangements

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises and equipment which fall due as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Within one year	一年內	31,978	12,237
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	54,603	10,884
After five years	五年後	27,191	1,498
		113,772	24,619

Operating lease payments represent rentals payable by the Group in respect of leasehold land and buildings and equipments. Leases for rented premises and equipment are negotiated for an average term of two to six years with fixed rental.

The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Within one year	一年內	8,025	8,154
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	13,926	7,735
		21,951	15,889

Leases are negotiated for an average term of two to ten years.

45. 經營租約安排

本集團作為承租人

於報告期末，本集團根據在下列期間屆滿之租賃物業之不可撤銷經營租約而承諾將於未來支付之最低租金如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Within one year	一年內	31,978	12,237
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	54,603	10,884
After five years	五年後	27,191	1,498
		113,772	24,619

經營租約之付款指本集團就所租用之土地及樓宇及設備應付之租金。租賃物業租約經議定平均為期兩至六年，租金固定。

本集團作為出租人

於報告期末，根據在下列期間屆滿之不可撤銷租賃物業經營租約，本集團已與租戶就以下未來最低租金簽訂合約：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Within one year	一年內	8,025	8,154
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	13,926	7,735
		21,951	15,889

租約之平均年期經議定為兩至十年。

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46. Capital Commitments

The Group has entered into the following transactions, which have not been completed at the end of the reporting period nor at the date these consolidated financial statements were authorised for issuance.

- (i) On 24 March 2009, a subsidiary of the Company entered into share transfer agreements with independent third parties to acquire 90% equity interest of 廣西來賓帝恒燃氣有限公司 and 廣西百色帝恒燃氣有限公司 at a total consideration of RMB24,000,000 (approximate HK\$27,586,000) and RMB10,000,000 (approximately HK\$11,494,000) respectively. 廣西來賓帝恒燃氣有限公司 and 廣西百色帝恒燃氣有限公司 are principally engaged in the natural gas business in the PRC.
- (ii) On 29 March 2010, a subsidiary of the Company entered into share transfer agreements with independent third parties to acquire 100% equity interest of 張家界市三峽燃氣有限公司 at an aggregate consideration of RMB31,800,000 (approximate HK\$36,552,000). 張家界市三峽燃氣有限公司 is principally engaged in the natural gas business in the PRC.
- (iii) On 19 March 2010, a subsidiary of the Company entered into cooperation agreement with the 錦州市娘娘官臨港產業區管委會 to set up a wholly-owned subsidiary. According to the cooperation agreement, the registered capital of the subsidiary will be USD3,000,000 (approximate HK\$23,250,000) and the total amount will be contributed by the Group in cash.
- (iv) On 24 March 2010, a subsidiary of the Company entered into cooperation agreement with the 新興縣城市管理局 to set up a wholly-owned subsidiary. According to the cooperation agreement, the registered capital of the subsidiary will be RMB15,000,000 (approximate HK\$17,241,000) and the total amount will be contributed by the Group in cash.

Save as disclosed above, as at 31 March 2010, the Group has capital commitments in respect of the acquisition for property, plant and equipment and construction materials for property, plant and equipment contracted for but not provided in the consolidated financial statements amounting to HK\$146,754,000 (2009: HK\$208,150,000) and HK\$140,194,000 (2009: HK\$93,312,000) respectively.

46. 資本承擔

本集團進行了以下交易，而該等交易於報告期末或本綜合財務報表授權刊發日期尚未完成。

- (i) 於二零零九年三月二十四日，本公司一家附屬公司與獨立第三方訂立股份轉讓協議，以收購廣西來賓帝恒燃氣有限公司及廣西百色帝恒燃氣有限公司之90%股本權益，總代價分別為人民幣24,000,000元(約27,586,000港元)及人民幣10,000,000元(約11,494,000港元)。廣西來賓帝恒燃氣有限公司及廣西百色帝恒燃氣有限公司主要在中國從事天然氣業務。
- (ii) 於二零一零年三月二十九日，本公司一家附屬公司與獨立第三方訂立股份轉讓協議，以收購張家界市三峽燃氣有限公司之100%股本權益，總代價為人民幣31,800,000元(約36,552,000港元)。張家界市三峽燃氣有限公司主要在中國從事天然氣業務。
- (iii) 於二零一零年三月十九日，本公司一家附屬公司與錦州市娘娘官臨港產業區管委會訂立合作協議，以成立全資附屬公司。根據該合作協議，該附屬公司之註冊資本將為3,000,000美元(約23,250,000港元)，而本集團將以現金注入有關總金額。
- (iv) 於二零一零年三月二十四日，本公司一家附屬公司與新興縣城市管理局訂立合作協議，以成立全資附屬公司。根據該合作協議，該附屬公司之註冊資本將為人民幣15,000,000元(約17,241,000港元)，而本集團將以現金注入有關總金額。

除以上所披露者外，於二零一零年三月三十一日，本集團就收購物業、廠房及設備及物業、廠房及設備之建材分別作出為數146,754,000港元(二零零九年：208,150,000港元)及140,194,000港元(二零零九年：93,312,000港元)之已訂約而尚未於綜合財務報表上撥備之資本承擔。

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47. Pledge of Assets

Carrying amount of the non-current and current assets pledged to banks to secure loan facilities granted to the Group is as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Long-term loan facilities	長期貸款融資		
Investment properties	投資物業	27,220	19,200
Property, plant and equipment	物業、廠房及設備	298,075	457,164
Prepaid lease payments	預付租賃款項	39,043	37,047
Short-term loan facilities	短期貸款融資		
Inventories	存貨	138,729	87,651
Trade receivables	貿易應收賬款	86,817	45,878
Pledged bank deposits	已抵押銀行存款	489,103	847,759
		1,078,987	1,494,699

48. RETIREMENT BENEFITS SCHEMES

With effective from 1 December 2000, the Group has joined a MPF Scheme for all employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. The only obligation of the Group with respect of the MPF Scheme is to make the required contributions under the scheme. No forfeited contribution is available to reduce the contribution payable in the future years at 31 March 2010 and 2009.

Employees of the Group's subsidiaries in the PRC are covered by the retirement and pension schemes defined by local practice and regulations. The subsidiaries are required to contribute a specific percentage of their payroll costs to the retirement and pension schemes. The only obligation of the Group in respect to the retirement benefits scheme is to make the specified contribution.

The calculation of contributions for PRC eligible staff is based on certain percentage of the applicable payroll costs. The contribution to the MPF Scheme is calculated based on the rules set out in the MPF Ordinance which is 5% on the basic salary of the relevant employee subject to a specific ceiling.

47. 資產抵押

已抵押予銀行作為本集團獲授之貸款融資擔保之非流動及流動資產賬面值如下：

48. 退休福利計劃

自二零零零年十二月一日起，本集團為所有香港僱員參加強制性公積金計劃。強積金計劃乃根據強制性公積金計劃條例，向強制性公積金計劃管理局註冊。強積金計劃之資產與本集團之資產分開持有並由獨立受託人管理。根據強積金計劃之規則，僱主及僱員皆須以規則指定之比率向該計劃供款。本集團就強積金計劃之唯一責任為按該計劃之要求供款。於二零一零年及二零零九年三月三十一日，並無沒收供款可作減低未來數年應付之供款。

本集團國內附屬公司之僱員受地方慣例及規定界定之退休及退休金計劃保障。附屬公司須向退休及退休金計劃就彼等工資成本之特定百分比作出供款。本集團就退休福利計劃之責任僅為作出特定供款。

國內合資格員工供款乃根據適用工資成本某個百分比計算。對強積金計劃之供款乃根據強積金條例所列明規則計算，即有關僱員底薪之5%加特定上限。

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49. Share Option Scheme and Share Based Payments

The share option scheme was adopted by the Company pursuant to a resolution passed on 6 February 2003 (the "Scheme") for the primary purpose of providing incentives to any directors of the Company, any employees of the Group, or any employee, partner or director of any business consultant, joint venture partner, financial adviser or legal adviser of the Group.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at the date of shareholders' approval of the Scheme ("Scheme Mandate Limit") or, if such 10% limit is refreshed, at the date of shareholders' approval of the renewal of the Scheme Mandate Limit. The maximum aggregate number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Scheme must not exceed 30% of the total number of shares of the Company in issue from time to time. The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company then in issue. Each grant of options to any director, chief executive or substantial shareholder must be approved by independent non-executive directors. Where any grant of options to substantial shareholder or an independent non-executive director or any of their respective associate would result in the shares of the Company issued and to be issued upon exercise of options already granted and to be granted in excess of 0.1% of the Company's issued share capital and with a value in excess of HK\$5,000,000 in the 12-month period up to the date of grant must be approved in advance by the Company's shareholders.

Options granted must be taken up within 28 days from the date of grant, upon payment of HK\$10 per each grant. Options may be exercised at any time from the date to be determined by the board of directors to the tenth anniversary of the date of grant. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant and (iii) the nominal value of a share.

The life of the Scheme is effective for 10 years from the date of adoption until 5 February 2013.

49. 購股權計劃及以股份形式付款

本公司之購股權計劃(「該計劃」)乃由本公司根據本於二零零三年二月六日通過之決議案而採納。該計劃之宗旨乃為獎勵本公司任何董事、本集團任何僱員或任何業務顧問、合營夥伴、財務顧問或法律顧問之任何僱員、合夥人或董事。

根據該計劃可授出之購股權所涉及之股份總數，不可超過股東批准該計劃當日本公司已發行股份之10% (「計劃授權上限」) 或如該10%限額予以更新，則指股東批准續授計劃授權上限當日本公司已發行股份之10%。因行使根據該計劃而授出但尚未行使之所有未行使購股權而可能發行之股份總數上限不得超出本公司不時已發行股份總數之30%。任何一個年度授予任何人士之購股權所涉及之股份數目，不得超過當時本公司已發行股份數目1%。每授出購股權予任何董事、行政總裁或主要股東須得到獨立非執行董事批准。任何授出購股權予主要股東或任何獨立非執行董事或其任何聯繫人士會引致於行使時已授權及即將授權之本公司已發行及即將發行股份超過本公司已發行股本0.1%而截至授權日為止十二個月價值超過5,000,000港元，需要得到本公司股東事先批准。

授出之購股權須於授出日期起計28日內承購，每次授出購股權之代價為10港元。購股權可於董事會決定之日期起至授出日期之十週年期間隨時行使。行使價由本公司董事釐定，並將不可低於以下之較高者：(i) 授出日期本公司股份收市價；(ii) 授出日期對上五個營業日股份之平均收市價及(iii) 股份面值。

該計劃有效期由採納日期至二零一三年二月五日止十年。

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49. Share Option Scheme and Share Based Payments (Continued)

The following table discloses details of the Company's share options held by employees (including directors) and movements in such holdings during the two years ended 31 March 2010:

49. 購股權計劃及以股份形式付款(續)

下表列出僱員(包括董事)所持本公司購股權之詳情及截至二零一零年三月三十一日止兩個年度持有購股權之變動情況:

Date of grant	Vesting period	Exercisable period	Exercise price per share	Number of share options at 4.1.2008 於二零零八年四月一日之購股權數目	Granted during the year	Exercised during the year	Number of share options at 3.31.2009 於二零零九年三月三十一日之購股權數目	Granted during the year	Exercised during the year	Number of share options at 3.31.2010 於二零一零年三月三十一日之購股權數目
授出日期	歸屬期	可行使期限	每股行使價 HK\$ 港元		年內已授出	年內已行使 (Note 3) (附註3)		年內已授出	年內已行使 (Note 3) (附註3)	
Directors 董事										
1.9.2004	1.9.2004 to 8.30.2004	9.1.2004 to 1.8.2014	0.80	31,240,711	-	-	31,240,711	-	(4,300,000)	26,940,711
10.6.2004	1.9.2004至8.30.2004 (Note 1) (附註1)	9.1.2004至1.8.2014 (Note 1) (附註1)	0.71	220,000,000	-	-	220,000,000	-	-	220,000,000
10.6.2004	10.6.2004 to 3.19.2005	3.20.2005 to 10.5.2014	0.71	7,400,000	-	-	7,400,000	-	(700,000)	6,700,000
	10.6.2004至3.19.2005	3.20.2005至10.5.2014 (附註2)								
10.20.2005	10.20.2005 to 10.19.2010	10.20.2010 to 10.19.2015	1.50	5,000,000	-	-	5,000,000	-	-	5,000,000
8.3.2009	10.20.2005至10.19.2010 (Note 4) (附註4)	10.20.2010至10.19.2015 8.3.2009 to 8.2.2019	2.10	-	-	-	-	200,000,000	-	200,000,000
8.3.2009	8.3.2009 to 8.2.2011	8.3.2011 to 8.2.2014	2.10	-	-	-	-	37,000,000	-	37,000,000
	8.3.2009至8.2.2011	8.3.2011至8.2.2014								
				263,640,711	-	-	263,640,711	237,000,000	(5,000,000)	495,640,711
Other employees 其他僱員										
1.9.2004	1.9.2004 to 8.30.2004	9.1.2004 to 1.8.2014	0.80	49,110,000	-	(1,980,000)	47,130,000	-	(10,250,000)	36,880,000
10.6.2004	1.9.2004至8.30.2004	9.1.2004至1.8.2014								
10.6.2004	10.6.2004 to 3.19.2005	3.20.2005 to 10.5.2014	0.71	88,350,000	-	(190,000)	88,160,000	-	(3,160,000)	85,000,000
	10.6.2004至3.19.2005 (附註2)	3.20.2005至10.5.2014								
10.20.2005	10.20.2005 to 10.19.2010	10.20.2010 to 10.19.2015	1.50	151,800,000	-	-	151,800,000	-	-	151,800,000
1.27.2006	10.20.2005至10.19.2010	10.20.2010至10.19.2015								
8.23.2007	1.27.2006 to 1.26.2011	1.27.2011 to 1.26.2016	1.52	6,500,000	-	-	6,500,000	-	-	6,500,000
8.7.2008	1.27.2006至1.26.2011	1.27.2011至1.26.2016								
8.7.2008	8.23.2007 to 9.18.2009	9.19.2008 to 8.22.2017	2.32	3,000,000	-	-	3,000,000	-	-	3,000,000
8.7.2008	8.23.2007至9.18.2009	9.19.2008至8.22.2017								
8.7.2008	8.7.2008 to 9.2.2009	9.3.2009 to 8.6.2018	1.77	-	1,500,000	-	1,500,000	-	-	1,500,000
8.7.2008	8.7.2008至9.2.2009	9.3.2009至8.6.2018								
8.7.2008	8.7.2008 to 9.2.2010	9.3.2010 to 8.6.2018	1.77	-	1,500,000	-	1,500,000	-	-	1,500,000
8.7.2008	8.7.2008至9.2.2010	9.3.2010至8.6.2018								
8.3.2009	8.3.2009 to 8.2.2011	8.3.2012 to 8.2.2014	2.10	-	-	-	-	100,000,000	-	100,000,000
8.3.2009	8.3.2009至8.2.2011	8.3.2012至8.2.2014								
9.17.2009	9.17.2009 to 10.13.2009	10.14.2009 to 9.16.2014	2.60	-	-	-	-	5,000,000	-	5,000,000
9.17.2009	9.17.2009至10.13.2009	10.14.2009至9.16.2014								
9.17.2009	9.17.2009 to 9.16.2012	9.17.2012 to 9.16.2014	2.60	-	-	-	-	5,000,000	-	5,000,000
9.17.2009	9.17.2009至9.16.2012	9.17.2012至9.16.2014								
				298,760,000	3,000,000	(2,170,000)	299,590,000	163,394,000	(13,410,000)	449,574,000
Weighted average exercise price				562,400,711	3,000,000	(2,170,000)	563,230,711	400,394,000	(18,410,000)	945,214,711
加權平均行使價				HK\$0.93 0.93港元	HK\$1.77 1.77港元	HK\$0.79 0.79港元	HK\$0.97 0.97港元	HK\$2.11 2.11港元	HK\$0.78 0.78港元	HK\$1.42 1.42港元
Exercisable at the end of the year				396,100,711			396,930,711			386,520,711
可於年末行使										

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49. Share Option Scheme and Share Based Payments (Continued)

Notes:

- (1) The exercise of the options will be subject to the condition that the consolidated net asset value of the Company and its subsidiaries which shall be certified by the auditors appointed by the Company as at the date of the exercise of the options being not less than HK\$1 billion. Exercisable period is between 22 November 2004 to 5 October 2014.
- (2) The original exercisable period was 1 July 2005 to 5 October 2014. Pursuant to a resolution passed in the board of directors meeting held on 20 March 2005, the exercisable period is changed to the period from 20 March 2005 to 5 October 2014.
- (3) The weighted average share price on exercise dates and the weighted average price immediately before exercise dates are HK\$3.48 (2009: HK\$2.20) per share.
- (4) The exercise of option will be subject to the condition that the annual consolidated profit after taxation of the Company and its subsidiaries which shall be certified by the auditors appointed by the Company as at the date of the exercise of the options being not less than HK\$1.5 billion. Exercisable period is between 3 August 2009 to 2 August 2019.

The consideration received during the year from the directors and employees for taking up the options granted amounted to HK\$10 (2009: HK\$20).

In accordance with HKFRS 2 "Share-based payment", fair value of share options granted to employees determined at the date of grant is expensed over the vesting period, with a corresponding adjustment to the Group's employee share-based compensation reserve. In the current year, an amount of share-based payment expenses in respect of its share options of approximately HK\$32,870,000 (2009: HK\$6,981,000) has been recognised with a corresponding adjustment recognised in the Group's employee share-based compensation reserve.

The options outstanding as at 31 March 2010 have a weighted average remaining contractual life of 5 years (2009: 6 years). During the year ended 31 March 2010, options were granted on 3 August 2009 and 17 September 2009 respectively. The estimated fair values of the options granted are HK\$336,766,000 and HK\$91,966,000. During the year ended 31 March 2010, options were granted on 7 August 2008. The estimated fair values of the options granted are HK\$2,333,000.

49. 購股權計劃及以股份形式付款(續)

附註：

- (1) 行使購股權須視乎本公司所聘任之核數師於行使購股權時確認，本公司及其附屬公司之綜合資產淨值不少於10億港元。可行使期為二零零四年十一月二十二日至二零一四年十月五日止。
- (2) 行使期原為由二零零五年七月一日至二零一四年十月五日。根據於二零零五年三月二十日召開董事會會議所通過之決議案，行使期更改為二零零五年三月二十日至二零一四年十月五日。
- (3) 於行使日期之加權平均股價及緊接行使日期前之加權平均股價為每股3.48港元(二零零九年：2.20港元)。
- (4) 行使購股權須達成之條件為，本公司及其附屬公司於購股權行使日期之年度綜合除稅後溢利(須經由本公司所委聘之核數師核實)不得少於15億港元。行使期為二零零九年八月三日至二零一零年八月二日。

就董事及僱員接納之獲授購股權而於年內已收總代價為10港元(二零零九年：20港元)。

根據香港財務報告準則第2號「以股份形式付款」，於授出日期釐定授予僱員之購股權公平值乃於歸屬期支銷，連同對本集團之僱員股份報酬儲備作出相應調整。於本年度，就購股權之以股份形式付款開支約32,870,000港元(二零零九年：6,981,000港元)已予確認，相應調整已於本集團僱員股份報酬儲備確認。

於二零一零年三月三十一日，尚未行使購股權之加權平均剩餘合約年期為5年(二零零九年：6年)。於截至二零一零年三月三十一日止年度，購股權乃分別於二零零九年八月三日及二零零九年九月十七日授出。所授出之購股權之估計公平值為336,766,000港元及91,966,000港元。於截至二零一零年三月三十一日止年度，購股權乃於二零零八年八月七日授出。所授出之購股權之估計公平值為2,333,000港元。

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49. Share Option Scheme and Share Based Payments (Continued)

These fair values were calculated using the Black-Scholes-Merton Option Pricing Model. The inputs into the model were as follows:

		Share option grant date 購股權授出日期		
		August 3, 2009 二零零九年 八月三日	September 17, 2009 二零零九年 九月十七日	August 7, 2008 二零零八年 八月七日
Share price	股價	HK\$2.1 2.1港元	HK\$2.6 2.6港元	HK\$1.78 1.78港元
Exercise price	行使價	HK\$2.1 2.1港元	HK\$2.6 2.6港元	HK\$1.77 1.77港元
Expected volatility (note a)	預期波幅(附註a)	57.86%	58.05%	52.55% to 53.23%
Expected life (note b)	預計年期(附註b)	2.5 years to 5 years 2.5年至5年	2.5 years to 4 years 2.5年至4年	5.5 years to 6 years 5.5年至6年
Risk free rate (note c)	無風險利率(附註c)	0.626% to 1.66% 0.626%至1.66%	0.724% to 1.502% 0.724%至1.502%	3.221% to 3.278% 3.221%至3.278%
Expected dividend yield (note d)	預期股息率(附註d)	0.667%	0.538%	1.9%

Notes:

- (a) The expected volatility was determined by calculating the historical volatility of the Company's share price over 260 trade days (2009:260 trade days) immediately before share option grant date.
- (b) Expected life used has been adjusted, based on the management's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations.
- (c) The risk free rate is determined by the reference to the Exchange Fund Notes issued by Hong Kong Monetary Authority.
- (d) The expected dividend yield was based on historical dividend payment record of the Group and consensus from analyst forecast.

附註：

- (a) 預期波幅乃藉計算本公司股份於緊接購股權授出日期前260個交易日(二零零九年：260個交易日)之歷史波幅釐定。
- (b) 所運用之預期年限已根據管理層之最佳估計、不可轉讓性之影響、行使限制及行為考慮作出調整。
- (c) 無風險利率乃參考香港金融管理局發行之外匯基金票據釐定。
- (d) 預期股息率乃根據本集團之歷史股息派付紀錄及分析員預測之一致意見計算。

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50. RELATED PARTY TRANSACTIONS

Apart from the amounts due from/to related parties as disclosed in notes 28, 30, 33 and 37, the Group entered into the following transactions with related parties that are not members of the Group:

- (i) During the year ended 31 March 2010, the Group purchased gas for total amount of HK\$126,359,000 (2009: HK\$113,746,000) from minority shareholders of subsidiaries.
- (ii) During the year ended 31 March 2010, the Group paid rental expense to a shareholder of a jointly controlled entity in respect of leasehold land and buildings for total of HK\$8,506,000 (2009: HK\$7,844,000).
- (iii) During the year ended 31 March 2010, the Group received interest income for total amount of HK\$9,922,000 (2009: HK\$7,299,000) from an associate.
- (iv) During the year ended 31 March 2010, the Group paid construction fee which are recorded as cost of property, plant and equipment in the consolidated statement of financial position for total amount of HK\$174,262,000 (2009: HK\$181,206,000) to an associate.
- (v) During the year ended 31 March 2010 the Group paid interest expense for total amount of HK\$7,132,000 (2009: HK\$7,132,000) to a minority shareholder of a subsidiary.

The remuneration of key management of the Group was as follows:

50. 關連人士交易

除附註28、30、33及37所披露之應收／應付關連人士之款項外，本集團與並非本集團成員公司之關連人士訂立下列交易：

- (i) 截至二零一零年三月三十一日止年度，本集團以總金額為126,359,000港元(二零零九年：113,746,000港元)向附屬公司少數股東購買氣體。
- (ii) 截至二零一零年三月三十一日止年度，本集團向一家共同控制實體之一名股東支付租賃土地及樓宇之租金開支合共8,506,000港元(二零零九年：7,844,000港元)。
- (iii) 截至二零一零年三月三十一日止年度，本集團從聯營公司收取之利息收入總額為9,922,000港元(二零零九年：7,299,000港元)。
- (iv) 截至二零一零年三月三十一日止年度，本集團已向聯營公司支付工程費合共174,262,000港元(二零零九年：181,206,000港元)，已於綜合財務狀況表列為物業、廠房及設備之成本。
- (v) 截至二零一零年三月三十一日止年度，本集團向附屬公司少數股東支付利息開支總額為7,132,000港元(二零零九年：7,132,000港元)。

本集團主要管理層之酬金如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Short-term benefits	短期福利	37,890	37,429
Post employment benefits	離職後福利	48	60
		37,938	37,489

The remuneration of key management is determined by the remuneration committee having regard to the performance of individuals and market trends.

主要管理層酬金由薪酬委員會經考慮個人表現及市場趨勢後釐定。

51. MAJOR NON-CASH TRANSACTIONS

- (i) During the year ended 31 March 2010, a wholly-owned subsidiary of the Company has further acquired additional interest of 4.5% in Zhongyou Hua Dian from a minority shareholder at a consideration of RMB10,850,000 (approximately HK\$12,471,000). The consideration was satisfied by way of transfer of an available-for-sale investment with a carrying value of RMB10,850,000 (approximately HK\$12,471,000) as a consideration.
- (ii) During the year, the Bonds with principal amount of US\$2,000,000 had been converted into 9,012,000 Company's shares. Details had disclosed in note 35 to the consolidated financial statements.

52. EVENT AFTER THE REPORTING PERIOD

On 17 January 2010, a wholly owned subsidiary of the Group offered a voluntary conditional cash and securities exchange offer ("Offer") to Zhongyu Gas Holdings Limited ("Zhongyu Gas"), a listed company in the Stock Exchange, (i) to acquire the entire issued share capital of Zhongyu Gas, (ii) for the acquisition of all outstanding convertible bonds and (iii) for the cancellation of all the outstanding share option of Zhongyu Gas. Details of the proposed takeover are set out in the joint announcement of the Company and Zhongyu Gas dated 26 January 2010. The acquisition have not been completed at the date these consolidated financial statement were authorised for issuance.

51. 主要非現金交易

- (i) 於截至二零一零年三月三十一日止年度內，本公司一家全資附屬公司向一名少數股東進一步收購中油華電額外4.5%權益，代價為人民幣10,850,000元(約12,471,000港元)。該代價已透過轉讓賬面值為人民幣10,850,000元(約12,471,000港元)之可供出售投資作為代價支付。
- (ii) 年內，本金額為2,000,000美元之債券已轉換為9,012,000股本公司股份。詳情已於綜合財務報表附註35披露。

52. 報告期後事項

於二零一零年一月十七日，本集團一家全資附屬公司向聯交所上市公司中裕燃氣控股有限公司(「中裕燃氣」)提出自願有條件現金及證券交易要約(「要約」)，以(i)收購中裕燃氣全部已發行股本；(ii)收購全部未換股可換股債券；及(iii)註銷所有未行使中裕燃氣購股權。建議全面收購詳情載於本公司與中裕燃氣於二零一零年一月二十六日刊發之聯合公佈。於本綜合財務報表授權發出日期，該項收購尚未完成。

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53. Particular of Principal Subsidiaries

Particulars of the principal subsidiaries are as follows:

53. 主要附屬公司詳情

主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊／營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本／註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本／註冊資本面值比例		Principal activities 主要業務
				2010 二零一零年 %	2009 二零零九年 %	
Hai Xia Finance Limited 海峽財務有限公司	Hong Kong 香港	Incorporated 註冊成立	Ordinary HK\$2 普通股2港元	100**	100**	Securities investment 證券投資
Iwai's Holdings (Hong Kong) Limited	Hong Kong 香港	Incorporated 註冊成立	Ordinary HK\$1,000 Non-voting deferred shares HK\$1,000,000 (Note 1) 普通股1,000港元 無投票權遞延 股份1,000,000港元 (附註1)	100** -	100** -	Investment holding, property investment and provision of management services to group companies 投資控股、物業投資 及提供管理服務予 集團公司
Wellgem Asia Limited 偉寶亞洲有限公司	Hong Kong 香港	Incorporated 註冊成立	Ordinary HK\$10,000 普通股10,000港元	100*	100*	Property development 物業發展
Zhongran Gas (Shenzhen) Company Limited*	PRC 中國	Wholly-foreign owned enterprises ("WFOE") 外商獨資企業	Registered US\$29,800,000 註冊資本 29,800,000美元	100*	100*	Investment holding and treasury 投資控股及財資
中燃投資有限公司	PRC 中國	WFOE 外商獨資企業	Registered RMB898,637,000 註冊資本人民幣 898,637,000元	100*	100*	Investment holding and treasury 投資控股及財資
Beijing Zhongran Xiangke Oil Gas Technology Company Limited*	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB20,000,000 註冊資本人民幣 20,000,000元	60**	60**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣 管道建造
Elegant Cheer Limited 雅緻有限公司	Hong Kong 香港	Incorporated 註冊成立	Ordinary HK\$10,000 普通股10,000港元	100**	100**	Property holding 持有物業

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53. Particular of Principal Subsidiaries (Continued)

Particulars of the principal subsidiaries are as follows:

53. 主要附屬公司詳情(續)

主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/註冊資本面值比例		Principal activities 主要業務
				2010 二零一零年 %	2009 二零零九年 %	
Wuhan China Natural Gas Investment Company Limited* 武漢中燃投資有限公司	PRC 中國	WFOE 外商獨資企業	Registered RMB69,980,000 註冊資本人民幣 69,980,000元	100**	100**	Investment holding 投資控股
Yiyang Central Gas & City Gas Development Co., Ltd.* 益陽中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB44,000,000 註冊資本人民幣 44,000,000元	80**	80**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Wuhu City Natural Gas Development Company Limited* 蕪湖縣中燃城市發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB100,000,000 註冊資本人民幣 100,000,000元	90**	90**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
北京中油翔科科技有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB2,000,000 註冊資本人民幣 2,000,000元	80**	80**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
唐山翔科燃氣有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB1,000,000 註冊資本人民幣 1,000,000元	70**	70**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
廊坊市翔科危險貨物運輸有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB500,000 註冊資本人民幣 500,000元	80**	80**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
廊坊市翔科油氣技術有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB2,680,000 註冊資本人民幣 2,680,000元	51**	51**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

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53. Particular of Principal Subsidiaries (Continued)

53. 主要附屬公司詳情(續)

Particulars of the principal subsidiaries are as follows:

主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/註冊資本面值比例		Principal activities 主要業務
				2010 二零一零年 %	2009 二零零九年 %	
Yichang Zhongran City Gas Development Limited* 宜昌中燃城市燃氣發展有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB70,000,000 70,000,000元	70**	70**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
蕪城翔科燃氣有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB2,000,000 2,000,000元	95**	95**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Clever Decision Enterprises Limited	BVI 英屬處女群島	Incorporated 註冊成立	Ordinary US\$100 普通股100美元	100**	100**	Investment holding 投資控股
北京通寶華油燃氣技術發展有限公司	PRC 中國	WFOE 外商獨資企業	Registered RMB20,000,000 20,000,000元	100**	100**	Investment holding 投資控股
Huainan China Gas City Gas Development Co., Ltd.* 淮南中燃	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB72,000,000 72,000,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
壽縣中燃	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB3,000,000 3,000,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建設
Suizhou Zhongran City Gas Development Co., Ltd.* 隨州中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB35,000,000 35,000,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Xiaogan China Gas Co., Ltd.* 孝感中燃天然氣有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB48,950,000 48,950,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

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53. Particular of Principal Subsidiaries (Continued)

53. 主要附屬公司詳情(續)

Particulars of the principal subsidiaries are as follows:

主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/ 營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值比例		Principal activities 主要業務
				2010 二零一零年 %	2009 二零零九年 %	
Xiaogan Zhongya China Gas Co., Ltd.*	PRC	Sino-foreign equity joint venture	Registered RMB16,002,000	100**	100**	Trading of natural gas and gas pipeline construction
孝感中亞城市燃氣發展有限公司	中國	中外合資企業	註冊資本人民幣16,002,000元			買賣天然氣及燃氣管道建造
Hanchuan Jchina Gas Co., Ltd.*	PRC	Sino-foreign equity joint venture	Registered RMB11,274,000	100**	100**	Trading of natural gas and gas pipeline construction
漢川中燃城市燃氣發展有限公司	中國	中外合資企業	註冊資本人民幣11,274,000元			買賣天然氣及燃氣管道建造
Yunmeng China Gas Co., Ltd.*	PRC	Sino-foreign equity joint venture	Registered RMB9,708,000	100**	100**	Trading of natural gas and gas pipeline construction
雲夢中燃城市燃氣發展有限公司	中國	中外合資企業	註冊資本人民幣9,708,000元			買賣天然氣及燃氣管道建造
Yingcheng Jiayu China Gas Co., Ltd.*	PRC	Sino-foreign equity joint venture	Registered RMB10,074,000	100**	100**	Trading of natural gas and gas pipeline construction
應城中燃城市燃氣發展有限公司	中國	中外合資企業	註冊資本人民幣10,074,000元			買賣天然氣及燃氣管道建造
Danyang Zhongran Gas Co., Ltd.*	PRC	WFOE	Registered HK\$20,000,000	100**	100**	Trading of natural gas and gas pipeline construction
當陽中燃天然氣有限公司	中國	外商獨資企業	註冊資本20,000,000港元			買賣天然氣及燃氣管道建造
Pizhou Zhongran City Gas Development Co., Ltd.*	PRC	WFOE	Registered US\$3,060,000	100**	100**	Trading of natural gas and gas pipeline construction
邳州中燃城市燃氣發展有限公司	中國	外商獨資企業	註冊資本3,060,000美元			買賣天然氣及燃氣管道
Suzhou Zhongran City Gas Development Co., Ltd.*	PRC	Sino-foreign equity joint venture	Registered US\$3,625,000	75**	75**	Trading of natural gas and gas pipeline construction
宿州中燃城市燃氣發展有限公司	中國	中外合資企業	註冊資本3,625,000美元			買賣天然氣及燃氣管道建造

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53. Particular of Principal Subsidiaries (Continued)

53. 主要附屬公司詳情(續)

Particulars of the principal subsidiaries are as follows:

主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/註冊資本面值比例		Principal activities 主要業務
				2010	2009	
				二零一零年 %	二零零九年 %	
Cangzhou Zhongran City Gas Development Co., Ltd.* 滄州中燃城市燃氣發展有限公司	PRC 中國	WFOE 外商獨資企業	Registered HK\$2,000,000 註冊資本 2,000,000港元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Nanpixon Zhongran City Gas Development Co., Ltd.* 南皮縣中燃城市燃氣發展有限公司	PRC 中國	WFOE 外商獨資企業	Registered HK\$2,000,000 註冊資本 2,000,000港元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道
Wuhuxian Zhongran City Gas Development Co., Ltd.* 蕪湖縣中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB10,000,000 註冊資本人民幣 10,000,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Qinzhou Zhongran City Gas Development Co., Ltd.* 欽州中燃城市燃氣發展有限公司	PRC 中國	WFOE 外商獨資企業	Registered RMB20,000,000 註冊資本人民幣 20,000,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Yangzhong Zhongran City Gas Development Co., Ltd.* 揚中中燃城市燃氣發展有限公司	PRC 中國	WFOE 外商獨資企業	Registered US\$1,000,000 註冊資本 1,000,000美元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Tianmen Zhongran City Gas Development Co., Ltd.* 天門中燃城市燃氣發展有限公司	PRC 中國	WFOE 外商獨資企業	Registered RMB10,000,000 註冊資本人民幣 10,000,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Baoji Zhongran City Gas Development Co., Ltd. 寶鷄中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB265,725,000 註冊資本人民幣 265,725,000元	64**	64**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

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53. Particular of Principal Subsidiaries (Continued)

Particulars of the principal subsidiaries are as follows:

53. 主要附屬公司詳情(續)

主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/註冊資本面值比例		Principal activities 主要業務
				2010 二零一零年 %	2009 二零零九年 %	
Nanjing Zhongran City Gas Development Co., Ltd.* 南京中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB200,000,000 註冊資本人民幣200,000,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Yulin Zhongran City Gas Development Co., Ltd.* 玉林中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB20,000,000 註冊資本人民幣20,000,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
烏審旗中燃城市燃氣發展有限公司	PRC 中國	WFOE 外商獨資企業	Registered RMB50,000,000 註冊資本人民幣50,000,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Fushun Zhongran City Gas Development Co., Ltd.* 撫順中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB133,330,000 註冊資本人民幣133,330,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Wuwei Zhongran City Gas Development Co., Ltd.* 無為中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB18,000,000 註冊資本人民幣18,000,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
重慶渝北	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB5,060,000 註冊資本人民幣5,060,000元	100**	100**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
包頭燃氣	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB183,800,000 註冊資本人民幣183,800,000元	80**	80**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

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53. Particular of Principal Subsidiaries (Continued)

53. 主要附屬公司詳情(續)

Particulars of the principal subsidiaries are as follows:

主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/註冊資本面值比例		Principal activities 主要業務
				2010 二零一零年 %	2009 二零零九年 %	
包頭加氣	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB30,000,000 註冊資本人民幣30,000,000元	80**	80**	Natural gas refill services and gas station administration 天然氣加氣服務及管理加氣站
包頭申銀	PRC 中國	Sino-foreign equity joint venture 中外合資企業	Registered RMB10,000,000 註冊資本人民幣10,000,000元	80**	80**	Design, construction and maintenance of city pipeline projects 城市管道項目之設計、建造及保養
Zhongyou Hua Dian 中油華電	PRC 中國	Limited liability company 有限責任公司	Registered RMB220,000,000 註冊人民幣220,000,000元	87.5**	83**	Trading of LPG 買賣LPG
上海中油能源控股有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB500,000,000*** 註冊資本人民幣500,000,000元***	100**	83**	Investment in petrochemical facilities of storage and transportation, fundamental facilities of pier, sales of raw chemical materials and construction materials 投資石化貯存及運輸設施、碼頭基礎設施、銷售化學材料及建築材料
溫州中化燃氣有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB20,000,000 註冊資本人民幣20,000,000元	87.5**	83**	Sale of inflammable gas, LPG, inflammable liquid and inflammable solid 銷售易燃氣體、LPG、易燃液體及易燃固體
溫州市華顯燃氣有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB20,000,000 註冊資本人民幣20,000,000元	87.5**	83**	Goods delivery and as agent of steel cylinder testing 貨物運輸及作為鋼筒測試之代理

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53. Particular of Principal Subsidiaries (Continued)

Particulars of the principal subsidiaries are as follows:

53. 主要附屬公司詳情(續)

主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/註冊資本面值比例		Principal activities 主要業務
				2010 二零一零年 %	2009 二零零九年 %	
溫州中燃能源有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB3,000,000 註冊資本人民幣3,000,000元	87.5**	83**	Retailing and wholesaling of LPG and accessories LPG及配件零售及批發
廣州華凱石油燃氣有限公司	PRC 中國	Limited liability company 有限責任公司	Registered USD8,000,000 註冊資本8,000,000美元	56.9**	54**	Manufacturing of highly purified LPG, highly purified propane and butane 生產高淨化LPG、高淨化丙烷及丁烷
廣西中油能源有限公司 (note 2) (附註2)	PRC 中國	Limited liability company 有限責任公司	Registered USD7,000,000 註冊資本7,000,000美元	60**	60**	Storing and trading of LPG. Sales of chemical products, filling of LPG and delivery of hazardous products LPG貯存及買賣、銷售化學產品、LPG加氣及危險品運輸
江蘇中油長江石化有限公司 (note 3) (附註3)	PRC 中國	Limited liability company 有限責任公司	Registered US\$10,000,000 註冊資本10,000,000美元	50.86**	50.86**	Producing and storing LPG and chemical product LPG及化學產品生產及貯存
廈門中油鷺航油氣有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB21,250,000 註冊資本人民幣21,250,000元	70**	58**	Operation of gas in cities, filling of LPG, delivery of hazardous products and wholesaling and retailing of chemical products 經營城市燃氣、LPG加氣、危險品運輸及批發及零售化學產品
榆林中燃	PRC 中國	Limited liability company 有限責任公司	Registered RMB100,000,000 註冊資本人民幣100,000,000元	-	60**	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

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53. Particular of Principal Subsidiaries (Continued)

53. 主要附屬公司詳情(續)

Particulars of the principal subsidiaries are as follows:

主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ or registration/ operations 營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/註冊資本面值比例		Principal activities 主要業務
				2010 二零一零年 %	2009 二零零九年 %	
China Gas Corporate Services Limited 中國燃氣企業服務有限公司	Hong Kong 香港	Incorporated 註冊成立	Ordinary HK\$2 普通股 2港元	100**	100**	Nominee and secretarial services 代理人及秘書服務
Iwai Style Limited Limited	Hong Kong 香港	Incorporated 註冊成立	Ordinary HK\$2 普通股 2港元	100**	100**	Provision of management services to the Group 向本集團提供管理服務
上海華辰	PRC 中國	Limited liability company 有限責任公司	Registered RMB60,000,000 註冊資本人民幣 60,000,000元	100**	-	Shipping delivery services, technical development, providing consultancy services and services and agent of delivery 航運服務、技術開發、提供顧問服務及運輸服務及代理
南京新浦口	PRC 中國	Limited liability company 有限責任公司	Registered RMB30,000,000 註冊資本人民幣 30,000,000元	100**	-	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
遼陽中燃	PRC 中國	Limited liability company 有限責任公司	Ordinary RMB68,500,000 普通股人民幣 68,500,000元	80**	-	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
Brilliant China	BVI 英屬處女群島	Incorporated 註冊成立	Ordinary US\$50,000 普通股50,000美元	100**	-	Investment holding 投資控股
Zhongmin Zhongran	PRC	Limited liability company	Ordinary HK\$30,000,000	100**	-	Investment holding
中民中燃	中國	有限責任公司	普通股30,000,000港元			投資控股
牡丹江大通燃氣	PRC 中國	Limited liability company 有限責任公司	Ordinary RMB40,000,000 普通股人民幣 40,000,000元	100**	-	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

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53. Particular of Principal Subsidiaries (Continued)

Particulars of the principal subsidiaries are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/註冊資本面值比例		Principal activities 主要業務
				2010 二零一零年 %	2009 二零零九年 %	
南昌中燃	PRC 中國	Limited liability company 有限責任公司	Ordinary RMB15,000,000 普通股人民幣 15,000,000元	80**	-	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
深圳中燃	PRC 中國	Limited liability company 有限責任公司	Ordinary RMB50,000,000 普通股人民幣 50,000,000元	95**	-	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
南寧管道	PRC 中國	Limited liability company 有限責任公司	Registered RMB60,000,000 註冊資本人民幣 60,000,000元	60**	-	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

* English name is for identification purposes only.

The proportion of nominal value of issued share capital/registered capital/registered capital directly held by the Company.

** The proportion of nominal value of issued share capital/registered capital/registered capital indirectly held by the Company.

*** The registered capital of the Company increased from RMB100,000,000 to RMB600,000,000 during the period ended 31 October 2009. Zhongran Gas, contributed the additional RMB500,000,000 capital to the Company. Upon the completion of the increase in the registered capital of the Company, the Company acquired 83% interests in the registered capital of Zhongyou Hua Dian from Zhongran Investment at a cash consideration of RMB500,000,000. Subsequently, the Company undergone a capital reduction in which the registered capital is reduced by RMB100,000,000.

The above table lists the principal subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

53. 主要附屬公司詳情(續)

主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/註冊資本面值比例		Principal activities 主要業務
				2010 二零一零年 %	2009 二零零九年 %	
南昌中燃	PRC 中國	Limited liability company 有限責任公司	Ordinary RMB15,000,000 普通股人民幣 15,000,000元	80**	-	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
深圳中燃	PRC 中國	Limited liability company 有限責任公司	Ordinary RMB50,000,000 普通股人民幣 50,000,000元	95**	-	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造
南寧管道	PRC 中國	Limited liability company 有限責任公司	Registered RMB60,000,000 註冊資本人民幣 60,000,000元	60**	-	Trading of natural gas and gas pipeline construction 買賣天然氣及燃氣管道建造

* 英文名稱僅供識別。

本公司持有之已發行股本/註冊資本/直接註冊資本面值比例。

** 本公司持有之已發行股本/註冊資本/間接註冊資本面值比例。

*** 本公司之註冊資本已於截至二零零九年十月三十一日止期間內由人民幣100,000,000元增至人民幣600,000,000元。中燃燃氣已向本公司注入額外資金人民幣500,000,000元。於本公司完成增加註冊資本後，本公司向中燃投資收購中油華電之83%權益，現金代價為人民幣500,000,000元。其後，本公司進行股本削減，將註冊資本減少至人民幣100,000,000元。

上表載列董事認為對本集團業績或資產有主要影響之本公司各主要附屬公司。董事認為，提供其他附屬公司詳情會導致資料過於冗長。

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53. Particular of Principal Subsidiaries (Continued)

Notes:

- (1) The deferred shares, which are not held by the Group, practically carry no rights to dividends or to receive notice of or to attend or vote at any general meeting of the Company or to participate in any distribution on winding up.
- (2) The Group has 52.5% indirect interest in 廣西中油能源有限公司 through the 60% direct interest held by a 87.5% owned subsidiary, Zhongyou Hua Dian. Therefore the Group has control over this entity and it is considered as a subsidiary of the Company.
- (3) The Group has 44.5% indirect interest in 江蘇中油長江石化有限公司 through the 50.86% direct interest held by an 87.5% owned subsidiary, Zhongyou Hua Dian. Therefore the Group has control over this entity and it is considered as a subsidiary of the Company.

None of the subsidiaries had any debt securities outstanding at the end of the both years.

53. 主要附屬公司詳情(續)

附註：

- (1) 遞延股份並非由本集團持有，而實際上並不附帶收取股息、接獲本公司任何股東大會通告、出席會議或於會上投票或於清盤時分享任何分派之權利。
- (2) 本集團透過其擁有87.5%權益之附屬公司中油華電接持有60%之直接權益於廣西中油能源有限公司擁有52.5%間接權益。因此，本集團於此實體擁有控制權，並被視為本公司之附屬公司。
- (3) 本集團透過其擁有87.5%權益之附屬公司中油華電持有50.86%之直接權益於江蘇中油長江石化有限公司擁有44.5%間接權益。因此，本集團於此實體擁有控制權，並被視為本公司之附屬公司。

各附屬公司於兩個年度結束時並無任何未償還債務證券。

		For the year ended 31 March 截至三月三十一日止年度				
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元	2008 二零零八年 HK\$'000 千港元 (restated) (重列)	2007 二零零七年 HK\$'000 千港元 (restated) (重列)	2006 二零零六年 HK\$'000 千港元
Results Turnover	業績 營業額	10,211,959	6,323,823	2,552,075	1,236,469	630,522
Profit for the year attributable to the owners of the Company	本公司 擁有人應佔 年度溢利	875,636	103,679	141,059	200,789	156,736
		At 31 March 於三月三十一日				
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元 (restated) (重列)	2008 二零零八年 HK\$'000 千港元 (restated) (重列)	2007 二零零七年 HK\$'000 千港元 (restated) (重列)	2006 二零零六年 HK\$'000 千港元
Assets and liabilities	資產及負債					
Total assets	總資產	22,997,594	18,024,749	11,306,127	7,308,847	5,093,888
Total liabilities	總負債	(17,767,357)	(14,042,621)	(7,620,120)	(4,616,042)	(2,973,122)
		5,230,237	3,982,128	3,686,007	2,692,805	2,120,766
Equity attributable to the owners of the Company	本公司擁有人 應佔權益	4,123,022	3,223,270	3,140,572	2,358,549	1,865,458
Minority interests	少數股東權益	1,107,215	758,858	545,435	334,256	255,308
		5,230,237	3,982,128	3,686,007	2,692,805	2,120,766

PARTICULARS OF MAJOR PROPERTIES

主要物業資料

Location 地點	Type 類別	Group's interest (%) 本集團之權益(%)	Lease term 租期
Leasehold land and buildings 租賃土地及樓宇			
In Hong Kong: 香港地區：			
16/F., AXA Centre No. 151 Gloucester Road Wan Chai Hong Kong 香港灣仔 告士打道151號 國衛中心16樓	Office premises 辦公室物業	100	Long lease 長期租約
In the People's Republic of China: 於中華人民共和國：			
深圳市濱河大道5002號 聯合廣場B座13樓及18樓	Commercial 商業	100	Medium term lease 中期租約
北京市宣武門廣安門南街6號	Office premises 辦公室物業	100	Medium term lease 中期租約
Investment properties 投資物業			
No. 28-30 Kai Tak Road Kowloon City Kowloon Hong Kong 香港 九龍九龍城 啟德道28-30號	Vacant land 空置土地	100	Medium term lease 中期租約
Development site located on western side of Gongnong Bing Road Huimin District Hohhot City Inner Mongolia Autonomous Region the PRC 位於中國 內蒙古自治區 呼和浩特市 回民區 工農兵路西邊之發展用地	Residential/ Commercial 住宅／商業	51	Medium term lease 中期租約

