



CHINA SONANGOL RESOURCES ENTERPRISE LIMITED

安中資源實業有限公司

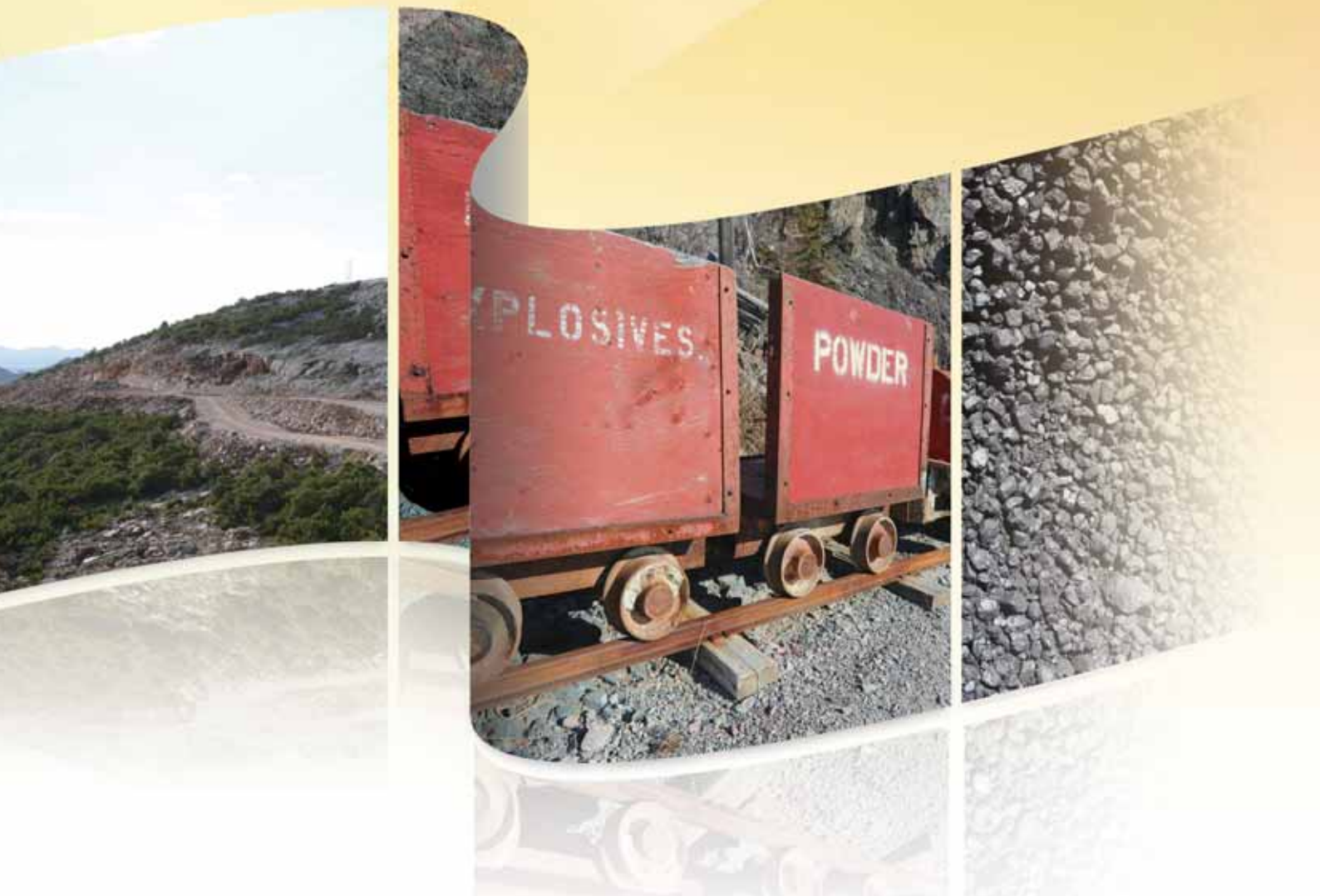
(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號:1229

ANNUAL REPORT 2010

年報 2010



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Lo Fong Hung (Chairperson & Managing Director)
Wang Xiangfei
Kwan Man Fai

Independent Non-executive Directors

Lam Ka Wai, Graham
Wong Man Hin, Raymond
Chan Yiu Fai, Youdey

AUDIT COMMITTEE

Lam Ka Wai, Graham (Chairman)
Wong Man Hin, Raymond
Chan Yiu Fai, Youdey

REMUNERATION COMMITTEE

Kwan Man Fai (Chairman)
Lam Ka Wai, Graham
Wong Man Hin, Raymond
Chan Yiu Fai, Youdey

QUALIFIED ACCOUNTANT AND COMPANY SECRETARY

Lo Ka Wai

AUDITOR

Shinewing (HK) CPA Limited
Certified Public Accountants
43/F., The Lee Gardens
33 Hysan Avenue, Causeway Bay
Hong Kong

LEGAL ADVISER

Conyers Dill and Pearman
2901, One Exchange Square
8 Connaught Place
Central, Hong Kong

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited
Wing Hang Bank Limited

董事會

執行董事

羅方紅(主席兼董事總經理)
王翔飛
關文輝

獨立非執行董事

林家威
黃文顯
陳耀輝

審核委員會

林家威(主席)
黃文顯
陳耀輝

薪酬委員會

關文輝(主席)
林家威
黃文顯
陳耀輝

合資格會計師兼公司秘書

羅嘉偉

核數師

信永中和(香港)會計師事務所有限公司
執業會計師
香港
銅鑼灣希慎道33號
利園43樓

法律顧問

Conyers Dill and Pearman
香港中環
康樂廣場8號
交易廣場1座2901室

主要往來銀行

香港上海滙豐銀行有限公司
中國銀行(香港)有限公司
永亨銀行有限公司

CORPORATE INFORMATION (continued)
公司資料 (續)

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suites 1003–1006, 10th Floor
Two Pacific Place
88 Queensway
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

**HONG KONG BRANCH SHARE REGISTRAR AND
TRANSFER OFFICE**

Union Registrars Limited
18th Floor,
Fook Lee Commercial Centre
Town Place, 33 Lockhart Road
Wanchai, Hong Kong

HONG KONG STOCK EXCHANGE STOCK CODE

1229

WEBSITE

<http://www.chinasonangol.com.hk>

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

總辦事處及主要營業地點

香港
金鐘道88號
太古廣場二座
10樓1003–1006室

股份過戶登記總處

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke HM08
Bermuda

香港股份過戶登記分處

聯合證券登記有限公司
香港灣仔
駱克道33號中央廣場
福利商業中心
18樓

香港聯合交易所股份代號

1229

網站

<http://www.chinasonangol.com.hk>

CHAIRMAN'S STATEMENT

主席報告

TO ALL SHAREHOLDERS

On behalf of the board of directors (the "Board") of China Sonangol Resources Enterprise Limited (the "Company"), I present to you the audited consolidated final results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 March 2010.

RESULTS AND DIVIDENDS

For the financial year ended 31 March 2010, the Group recorded turnover and loss attributable to the shareholders of HK\$96,090,000 (2009: HK\$23,105,000) and HK\$33,970,000 (2009 loss: HK\$28,764,000) respectively. The board does not recommend the payment of any dividend for the year ended 31 March 2010 (2009: Nil).

The loss for the year ended 2010 was mainly attributed to certain non-operating items and was arrived after deducting non-cash expense of approximately HK\$18,539,000 (2009: HK\$16,634,000) deemed interest expense for the convertible notes issued by the Group as well as the impairment loss on goodwill HK\$5,400,000 (2009: Nil). These were all non-cash items and were not expected to have adverse effect on the Group's cash flow.

BUSINESS REVIEW AND OUTLOOK

For the last financial year under review, it was challenging and encountering complicated economic conditions, the Group firmly repositioned itself to the development of our resources business and has laid down the foundation for our future growth and diversification of business operations.

The Group completed the acquisition of a 51% equity interest in a company with mining interests and conducting selling of coal in Xinjiang Province, China in July 2009 and, subsequent to this financial year, we proposed to acquire the remaining 49% equity interest from the joint venture partner so that our Group could wholly own the mining resources included (i) the mining rights of Kaiyuan Open Pit Coal Mine located in the Xinjiang Uygur Autonomous Region, the PRC, which has the estimated proved coal reserves and the estimated probable coal reserves approximately 17.63 million tonnes and 4.58 million tonnes respectively and (ii) the exploration rights of Zexu Open Pit Coal Mine located in the Xinjiang Uygur Autonomous Region, the PRC, which has the estimated measured coal resources of 56.58 million tonnes as of 29 March 2009.

The lingering effect of the financial tsunami, coupled with the sluggish economic activities in Xinjiang region during the second half of the financial year, our coal business has badly hurt. Nevertheless, we are positive about the prospect of the coal mining industry in the PRC, as coal is the major source of the PRC's primary energy consumption, we believe that the demand for coal from the various industries will continue to be robust in view of the economy in China maintain its gradually growth.

致各位股東

本人謹代表安中資源實業有限公司(「本公司」)董事會(「董事會」)向閣下提呈本公司及其附屬公司(統稱「本集團」)截至二零一零年三月三十一日止年度之經審核綜合末期業績。

業績及股息

截至二零一零年三月三十一日止財政年度，本集團營業額及股東應佔虧損分別為96,090,000港元(二零零九年：23,105,000港元)及33,970,000港元(二零零九年虧損：28,764,000港元)。董事會不建議就截至二零一零年三月三十一日止年度派付任何股息(二零零九年：無)。

截至二零一零年止年度錄得虧損，主要歸因於若干非經營項目，並已扣除就本集團發行可換股票據之視作利息開支之非現金開支約18,539,000港元(二零零九年：16,634,000港元)及商譽減值虧損5,400,000港元(二零零九年：無)，全部均為非現金項目，且預期不會對本集團現金流量構成不利影響。

業務回顧及前景

於上一個回顧財政年度充滿挑戰，且經濟環境錯綜複雜，本集團毅然重新定位，發展資源業務，並為日後增長及多元化發展業務奠下基石。

於二零零九年七月，本集團完成收購一間於中國新疆省擁有採礦權益及銷售煤礦之公司之51%股本權益，在本財政年度後，本集團建議向合營企業夥伴收購餘下49%股本權益，以致本集團可全資擁有採礦資源，當中包括(i)位於中國新疆維吾爾自治區之凱源露天煤礦採礦權，該煤礦之估計測定煤礦儲量及估計可推定煤礦儲量分別約為17,630,000噸及4,580,000噸；及(ii)位於中國新疆維吾爾自治區之澤旭露天煤礦之勘探權，該煤礦於二零零九年三月二十九日之估計探明煤礦資源為56,580,000噸。

金融海嘯之影響遲遲未退，加上新疆區內經濟活動於財政年度下半年停滯不前，令本集團煤礦業務深受打擊。然而，由於煤礦乃中國主要能源消耗之重要來源，故本集團對中國煤礦開採業之前景抱持樂觀態度，我們相信，鑑於中國經濟維持穩步增長，多個行業對煤炭之需求將繼續殷切。

CHAIRMAN'S STATEMENT (continued)
主席報告 (續)

BUSINESS REVIEW AND OUTLOOK (continued)

Going forward, the Group will continue to explore other investment opportunities in the energy and natural resources industries that have earning potentials as well as sustainable growth prospect aiming at maximizing the benefits for shareholders.

APPRECIATION

I wish to thank my fellow directors, management and staff for their unrelentless efforts for the business development of the Company. On behalf of the Board, I express our sincere gratitude to our shareholders, customers, suppliers and business partners for their continued support of the Company.

By order of the Board

Lo Fong Hung

Chairperson

Hong Kong, 18 June 2010

業務回顧及前景 (續)

展望將來，本集團將繼續於能源及天然資源業物色其他具有盈利潛力及可持續增長前景之投資機遇，務求盡量擴大股東利益。

致謝

本人謹此答謝各董事、管理層及員工努力不懈，為本公司之業務發展作出貢獻。本人謹代表董事會就各股東、客戶、供應商及業務夥伴一直以來對本公司之支持深表謝意。

承董事會命

羅方紅

主席

香港，二零一零年六月十八日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Turnover

The Group recorded a turnover of approximately HK\$96,090,000 for the year ended 31 March 2010 (2009: HK\$23,105,000). It represents an increase of approximately HK\$72,985,000 or 316% as compared with last year.

Gross profit

The gross profit of the Group for the year ended 31 March 2010 was increased to approximately HK\$8,078,000 (2009: HK\$5,971,000).

Loss for the year

Loss of the Group for the year ended 31 March 2010 was increased 18.10% to approximately HK\$33,970,000 (2009: approximately HK\$28,764,000). This was mainly due to the increase in finance cost and the impairment loss on goodwill. The general and administrative expenses was decreased 28.45% to approximately HK\$15,317,000 due to the slow down of clock and watch business while consolidating the coal mine business in second half of the financial year.

SEGMENT INFORMATION

Business segment

The performance of each of the Group's business segment for the year ended 31 March 2010 are set out in note 8 to the financial statements and are summarized below:

Clocks and Other Office Related Products

This Division achieved a turnover of approximately HK\$4,576,000 in the year under review (2009: approximately HK\$19,105,000), it represents a reduction of approximately HK\$14,529,000 or 76% as compared with the same period last year.

This Division reported a segment trading loss of approximately HK\$2,844,000 for the year ended 31 March 2010 representing a decrease of approximately HK\$11,580,000 or 80% from last year of approximately HK\$14,424,000.

Management Fee Income

This Division achieved a turnover of HK\$5,000,000 for the year ended 31 March 2010 (2009: HK\$4,000,000) and the services contract has been completed on January 2010.

Coal Mine Business

The Division contributed a turnover of HK\$86,514,000 for year ended 31 March 2010 (2009: Nil). It was a new business segment which generating the new source of income for the Group. The performance of the division was deteriorated on the last quarter of the financial year, coal price was adjusted radically on the lingering effect of the financial tsunami as well as the sluggish economic activities in Xinjiang region during this period. The group prudently made an impairment loss on inventory amounting to HK\$16,800,000 at the year end date in order to reflect the realizable value of inventory while we already monitored the coal price rebound quite smoothly recently.

財務回顧

營業額

截至二零一零年三月三十一日止年度，本集團錄得營業額約96,090,000港元(二零零九年：23,105,000港元)，較去年增加約72,985,000港元或316%。

毛利

截至二零一零年三月三十一日止年度，本集團之毛利增加至約8,078,000港元(二零零九年：5,971,000港元)。

年內虧損

截至二零一零年三月三十一日止年度，本集團虧損增加18.10%至約33,970,000港元(二零零九年：約28,764,000港元)，主要由於融資成本增加及商譽減值虧損所致。煤礦業務於財務年度下半年綜合入賬時，由於鐘錶業務放緩，一般及行政開支下降28.45%至約15,317,000港元。

分類資料

業務分類

本集團各業務分類於截至二零一零年三月三十一日止年度之表現載列於財務報表附註8，並概述如下：

時鐘及其他辦公室相關產品

本分部在回顧年度之營業額約4,576,000港元(二零零九年：約19,105,000港元)，較去年同期減少約14,529,000港元或76%。

本分部於截至二零一零年三月三十一日止年度錄得分類貿易虧損約2,844,000港元，較去年約14,424,000港元減少約11,580,000港元或80%。

管理費收入

本分部於截至二零一零年三月三十一日止年度錄得營業額5,000,000港元(二零零九年：4,000,000港元)，而服務合約已於二零一零年一月完成。

煤礦業務

本分部於截至二零一零年三月三十一日止年度之營業額貢獻為86,514,000港元(二零零九年：零)。此乃新業務分類，為本集團開闢新收入來源。本分部於本財政年度最後一季之表現下挫，煤價因本期間內金融海嘯之餘波影響及新疆地區經濟活動停滯不前而遭大幅調整。雖然本集團已監察得知煤價於最近有理想回升，惟本集團為審慎起見，於年結日作出存貨減值虧損16,800,000港元，以反映存貨之可變現價值。

SEGMENT INFORMATION (continued)

Geographic segments

Hong Kong and PRC (other than Hong Kong) were the major geographical segments of the Group for the year ended 31 March 2010. Ratio analysis by geographical segments for the Group's turnover for the year ended 31 March 2010 is as follows :

	Europe		Hong Kong		PRC (other than Hong Kong)		
	歐洲		香港		中國(香港除外)		
	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	
	%	%	%	%	%	%	
Segment turnover: to total turnover	分類營業額： 佔總營業額	1.17	30.84	5.33	42.45	93.50	26.71

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2010, the Group had:

- net current assets of approximately HK\$114,852,000 (2009: approximately HK\$375,182,000).
- bank balances and cash of approximately HK\$286,711,000 (2009: approximately HK\$378,997,000) which were the major components of the Group's current assets of approximately HK\$363,530,000 (2009: approximately HK\$385,820,000).
- current liabilities of approximately HK\$248,678,000 (2009: approximately HK\$10,638,000) which were mainly composed of amount due to a minority shareholder HK\$28,500,000 (2009: Nil) and convertible loan notes (liability component only) with carrying amount of approximately HK\$180,410,000 (2009: Nil).
- non-current liabilities of approximately HK\$35,154,000 (2009: approximately HK\$161,871,000) which were composed of deferred tax liability of HK\$33,364,000 (2009: Nil).

Since the convertible loan notes (liability component only) was a component of current liabilities for the year ended 31 March 2010, the Group's gearing ratio was greatly decreased to approximately nil (2009: 75.83%). The computation is based on long-term borrowings of the Group divided by shareholder's equity before minority interests as at 31 March 2010.

分類資料(續)

地區分類

截至二零一零年三月三十一日止年度，香港及中國(香港除外)為本集團主要地區分類。本集團截至二零一零年三月三十一日止年度之營業額根據地區分類按比例分析如下：

流動資金及財務資源

於二零一零年三月三十一日，本集團有：

- 流動資產淨值約114,852,000港元(二零零九年：約375,182,000港元)。
- 銀行結存及現金約286,711,000港元(二零零九年：約378,997,000港元)，乃本集團約363,530,000港元(二零零九年：約385,820,000港元)之流動資產主要組成部分。
- 流動負債約248,678,000港元(二零零九年：約10,638,000港元)，主要包括應付一名少數股東款項28,500,000港元(二零零九年：零)及賬面值約180,410,000港元(二零零九年：零)之可換股借貸票據(僅負債部分)。
- 非流動負債約35,154,000港元(二零零九年：約161,871,000港元)，包括遞延稅項負債33,364,000港元(二零零九年：零)。

於截至二零一零年三月三十一日止年度，由於可換股借貸票據(僅負債部分)屬流動負債部分，故本集團之負債比率大幅下降至約零(二零零九年：75.83%)。負債比率乃按本集團於二零一零年三月三十一日之長期借貸除以扣除少數股東權益前之股東權益計算。

CHARGES ON GROUP'S ASSETS

As the financial year ended 31 March 2010, none of trade receivables was pledged to secure the borrowing (2009: Nil), no leasehold land and buildings or investment properties of the Group were pledged to secure general banking facilities granted to the Group (2009: Nil).

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITIONS

On 3 July 2009, the Group completed the acquisition of 51% equity interest in Star Fortune International Investment Co. Ltd., which engages in mining, sales and distribution of coal in PRC, at an aggregate consideration of HK\$104,066,000 including legal and professional fees directly attributable to the acquisition amounting to approximately HK\$4,066,000. The transaction has been accounted for using the acquisition method of accounting.

DISCONTINUED OPERATION

During the year ended 31 March 2010, there was no discontinuing operation in the Group.

FOREIGN EXCHANGE EXPOSURE

The Group mainly earns revenue and incurs costs in Euro, US dollars and Hong Kong dollars. Foreign exchange exposure of the Group is minimal so long as the Government of the Hong Kong Special Administrative Region's policy to peg the Hong Kong dollars with the US dollars remains unchanged. The fluctuation of Euro will be minimal as Germany subsidiary is under liquidation.

TREASURY POLICIES

The Group generally finances its operation with internal generated resources.

CONTINGENT LIABILITIES

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

EMPLOYEES

As at 31 March 2010, the Group had 115 employees (2009: 62) spreading among Hong Kong, the PRC and Germany. Industrial relationship has been well maintained. The Group has adopted an extensive training policy for its employees. It has also sponsored senior executives for higher education programs. The Group has adopted a share option scheme whereby certain employees of the Group may be granted options to acquire shares of the Company.

集團資產抵押

於截至二零一零年三月三十一日止財政年度，並無就借貸抵押應收貨款(二零零九年：無)，亦無就本集團獲授一般銀行融資抵押本集團之租賃土地、樓宇或投資物業(二零零九年：無)。

重要投資及重大收購

於二零零九年七月三日，本公司完成收購於中國從事開採、銷售及分銷煤炭業務之星力富鑫國際投資有限公司51%股本權益，總代價為104,066,000港元，包括收購事項直接應佔法律及專業費用合共約4,066,000港元。該項交易已按收購會計法入賬。

終止經營業務

於截至二零一零年三月三十一日止年度，本集團概無終止任何業務。

外匯風險

本集團主要以歐元、美元及港元賺取收益及支付費用。只要香港特別行政區政府仍然實施港元與美元掛鈎之政策，本集團之外匯風險甚微。由於德國附屬公司正進行清盤，歐元波動將會甚微。

庫存政策

本集團一般透過內部產生資源提供營運資金。

或然負債

於二零一零年三月三十一日，本集團並無任何或然負債(二零零九年：無)。

僱員

於二零一零年三月三十一日，本集團共有僱員115名(二零零九年：62名)，分佈於香港、中國及德國。本集團與僱員一直保持良好業內關係。本集團已採用一套完備之僱員培訓政策，並贊助高級行政人員進修高等教育課程。本集團已採納一項購股權計劃，本集團若干僱員可藉此獲授購股權以認購本公司股份。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡歷

EXECUTIVE DIRECTORS

Ms. Lo Fong Hung, aged 55, is the Chairperson and Managing Director of the Company. Ms. Lo was appointed as an executive director of the Company on 25 March 2008. Ms. Lo also serves for several non-listed companies, namely as the chairperson of China International Fund Limited and as the vice chairperson of China Sonangol International Holding Limited, China Sonangol International Limited and Endiama China International Holding Limited and as director of Sonangol Sinopec International Limited and New Bright International Development Limited. Since 2004, Ms. Lo started exploring and developing energy resources and industrial investment in world-wide. Ms. Lo owns 30% shareholding interests in New Bright International Development Limited, which currently holds 70% shareholding interests in China Sonangol International Limited. China Sonangol International Limited is the holding company of Ascent Goal Investments Limited, the controlling shareholder of the Company. Ms. Lo is the wife of Mr. Wang Xiangfei.

Mr. Wang Xiangfei, aged 58, is an executive director of the Company appointed on 25 March 2008. Mr. Wang graduated from Renmin University of China with a bachelor degree in economics in 1982. Mr. Wang also serves for several non-listed companies, namely as the vice chief financial officer of Sonangol Sinopec International Limited and as the financial advisor of China Sonangol International Holding Limited and as an external supervisor of Shenzhen Rural Commercial Bank. Mr. Wang is currently an independent non-executive director of China CITIC Bank Corporation Limited, SEEC Media Group Limited and Shandong Chenming Paper Holdings Limited, companies listed on the Main Board of the Stock Exchange. Previously, Mr. Wang had also served as an executive director and CEO of China Everbright International Limited, an executive director of China Everbright Limited and China Haidian Holdings Limited (formerly known as China Everbright Technology Limited), a director & assistant general manager of China Everbright Holdings Co. Limited. Mr. Wang is the husband of Ms. Lo Fong Hung.

Mr. Kwan Man Fai, aged 41, is an executive director of the Company appointed on 25 March 2008. Mr. Kwan graduated from the University of Hong Kong with a bachelor degree in laws and a postgraduate certificate in laws. Mr. Kwan also holds a master degree in laws from The London School of Economics and Social Sciences, the University of London and a master degree in the PRC law from the City University of Hong Kong. Mr. Kwan was a partner of Messrs. Li & Partners, a law firm in Hong Kong from August 1999 to April 2008 and now remains as a consultant of Messrs. Li & Partners. Mr. Kwan has over ten years of experience in corporate finance and banking work, including assisting various companies in their listing on the Main Board and Growth Enterprise Market of the Stock Exchange.

執行董事

羅方紅女士，55歲，為本公司主席兼董事總經理。羅女士於二零零八年三月二十五日獲委任為本公司執行董事。羅女士亦任職於多間非上市公司，如中國國際基金有限公司主席以及安中國際石油控股有限公司、安中國際石油有限公司及中安鑽石國際控股有限公司之副主席，以及中安石油國際有限公司及創輝國際發展有限公司之董事。自二零零四年起，羅女士開始物色及開發世界各地能源及產業投資。羅女士持有創輝國際發展有限公司30%股權，而創輝國際發展有限公司目前持有安中國際石油有限公司70%權益。安中國際石油有限公司為本公司控股股東晉標投資有限公司之控股公司。羅女士為王翔飛先生之妻子。

王翔飛先生，58歲，於二零零八年三月二十五日獲委任為本公司執行董事。王先生於一九八二年畢業於中國人民大學並獲頒經濟學士學位。王先生亦任職於多間非上市公司，如中安石油國際有限公司之財務副總監及安中國際石油控股有限公司之財務顧問，深圳農村商業銀行股份有限公司之外部監事。王先生現為聯交所主板上市公司中信銀行股份有限公司、財訊傳媒集團有限公司及山東晨鳴紙業集團股份有限公司之獨立非執行董事。此前，王先生曾任中國光大國際有限公司之執行董事兼行政總裁、中國光大控股有限公司及中國海澱集團有限公司(前稱中國光大科技有限公司)之執行董事以及中國光大集團有限公司董事兼助理總經理。王先生為羅方紅女士之丈夫。

關文輝先生，41歲，於二零零八年三月二十五日獲委任為本公司執行董事。關先生畢業於香港大學，獲頒法學士學位及法學專業證書。關先生亦持有倫敦大學倫敦經濟社會科學院法律碩士學位及香港城市大學法律碩士學位(中國法)。關先生於一九九九年八月至二零零八年四月期間為香港律師事務所李偉斌律師行之合夥人，現仍擔任該律師行之顧問。關先生於企業融資及銀行業務方面具有逾十年經驗，當中包括協助多間公司於聯交所主板及創業板上市之經驗。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lam Ka Wai, Graham, aged 42, is an independent non-executive director of the Company appointed on 25 March 2008. Mr. Lam graduated from the University of Southampton, England with a Bachelor of Science degree in Accounting and Statistics. Mr. Lam is a member of the Hong Kong Institute of Certified Public Accountants and a member of the American Institute of Certified Public Accountants. Mr. Lam is currently the managing director and head of corporate finance of an investment bank and has around 16 years of experience in investment banking as well as around 4 years of experience in accounting and auditing. He is also an independent non-executive director of Cheuk Nang (Holdings) Limited, Applied Development Holdings Limited, China Fortune Group Limited, ZZNode Technologies Company Limited, Pearl Oriental Innovation Limited and Value Convergence Holdings Limited, companies listed on the Main Board of the Stock Exchange; and China Railway Logistics Limited and Finet Group Limited, companies listed on The Growth Enterprise Market of the Stock Exchange.

Mr. Wong Man Hin, Raymond, aged 44, is an independent non-executive director of the Company appointed on 25 March 2008. Mr. Wong is a member of American Institute of Certified Public Accountants (CPA), a Certified Management Accountant (CMA) and holds a certificate in financial management (CFM). Mr. Wong holds a bachelor degree in chemical engineering and a master degree in economics. Mr. Wong is an executive director and deputy chairman of Raymond Industrial Limited, a company listed on the Main Board of the Stock Exchange. Mr. Wong is also an independent non-executive director of Modern Beauty Salon Holdings Limited, a company listed on the Main Board of the Stock Exchange. Mr. Wong was an independent non-executive director of Fulbond Holdings Limited during the period from December 2006 to August 2009 and BEP International Holdings Limited during the period from October 2007 to June 2009, both companies listed on the Main Board of the Stock Exchange. Mr. Wong was an independent non-executive director of Era Holdings Global Limited during the period from August 2007 to February 2008, a company listed on the Growth Enterprise Market of the Stock Exchange.

Mr. Chan Yiu Fai, Youdey, aged 41, is an independent non-executive director of the Company appointed on 25 March 2008. Mr. Chan graduated from the University of Hong Kong with a bachelor degree in laws and a postgraduate certificate in laws. Mr. Chan also holds master degrees in laws from the City University of Hong Kong and from the People's University of China. Mr. Chan is currently a partner of Messrs. David Y.Y. Fung & Co., a law firm in Hong Kong. Mr. Chan has extensive experience in civil and commercial crime litigation and also handles various transactions for corporate clients and banks in Hong Kong.

獨立非執行董事

林家威先生，42歲，於二零零八年三月二十五日獲委任為本公司之獨立非執行董事。林先生畢業於英國修咸頓大學，持有會計及統計學學士學位。林先生為香港會計師公會會員及美國執業會計師公會會員。林先生現為一間投資銀行之董事總經理兼企業融資部主管，於投資銀行方面擁有約十六年經驗，於會計及審核方面亦擁有約四年經驗。林先生亦為聯交所主板上市公司卓能(集團)有限公司、實力建業集團有限公司、中國富強集團有限公司、直真科技有限公司、東方明珠創業有限公司及滙盈控股有限公司，及聯交所創業板上市公司中國鐵路貨運有限公司及財華社集團有限公司之獨立非執行董事。

黃文顯先生，44歲，於二零零八年三月二十五日獲委任為本公司之獨立非執行董事。黃先生為美國執業會計師公會會員(CPA)、註冊管理會計師(CMA)，並持有財務管理師(CFM)證書。黃先生持有化學工程學士學位及經濟碩士學位。黃先生為聯交所主板上市公司利民實業有限公司之執行董事兼副主席。黃先生亦為聯交所主板上市公司現代美容控股有限公司之獨立非執行董事。黃先生曾於二零零六年十二月至二零零九年八月期間出任福邦控股有限公司之獨立非執行董事及曾於二零零七年十月至二零零九年六月期間出任百靈達國際控股有限公司之獨立非執行董事，兩間公司均為聯交所主板上市公司。黃先生曾於二零零七年八月至二零零八年二月期間出任聯交所創業板上市公司年代國際控股有限公司之獨立非執行董事。

陳耀輝先生，41歲，於二零零八年三月二十五日獲委任為本公司獨立非執行董事。陳先生畢業於香港大學，獲頒法學士學位及法學專業證書。陳先生亦持有香港城市大學及中國人民大學之法律碩士學位。陳先生現為香港律師事務所馮元鉞律師行之合夥人。陳先生於民事及商業犯罪訴訟方面饒富經驗，亦為香港公司客戶及銀行處理各種交易。

SENIOR MANAGEMENT

Mr. Lo Ka Wai, aged 41, is the qualified accountant and company secretary of the Company appointed on 7 April 2008. Mr. Lo graduated from the University of Wollongong, Australia with a bachelor degree in commerce. Mr. Lo is a member of the Hong Kong Institute of Certified Public Accountants and CPA Australia. Mr. Lo has more than 18 years of experience in financial management and corporate finance.

高級管理人員

羅嘉偉先生，41歲，於二零零八年四月七日獲委任為本公司合資格會計師兼公司秘書。羅先生畢業於澳洲卧龍崗大學 (University of Wollongong)，獲頒商學士學位。羅先生為香港會計師公會及澳洲會計師公會會員。羅先生於金融管理及企業融資方面擁有逾十八年經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMITMENT TO CORPORATE GOVERNANCE

The Company is committed to maintain statutory and regulatory standards and adherence to the principles of corporate governance emphasizing on transparency, independence, accountability, responsibility and fairness. The Company has applied the principles of the Code Provisions under the Code on Corporate Governance Practices (the “Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) throughout the year ended 31 March 2010 (“the year under review”), save for the deviations from Code provision A.1.1, A.2.1 and E.1.2 as disclosed below.

THE BOARD

The Board assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising the Company’s affairs. It should act in the best interest of the Company and its shareholders at all times. The Board sets strategies for the Company and monitors the performance and activities of the senior management.

The Board currently comprises three executive directors and three independent non-executive directors. The brief biographical details of the directors and relationship among them are set out in the section headed “Biography of Directors and Senior Management” of this report. The executive directors of the Company are responsible for the day to day operations of the Company whereas the independent non-executive directors of the Company are responsible for ensuring a high standard of financial and management reporting to the Board and shareholders of the Company as well as to provide a balanced composition in the Board so that there is a strong independent element on the Board.

For the sake of flexibility, the Board holds meeting whenever necessary. During the year under review, the Board held five meetings which exceeded the minimum number of board meetings required under Code provision A.1.1, the attendance records of individual directors are as follows:

Name of Directors	Number of meetings attended
Executive Directors:	
Lo Fong Hung (Chairperson and Managing Director)	3/5
Wang Xiangfei	5/5
Kwan Man Fai	1/5
Independent Non-executive Directors:	
Wong Man Hin, Raymond	3/5
Lam Ka Wai, Graham	3/5
Chan Yiu Fai, Youdey	3/5

企業管治承諾

本公司致力保持法定及法規標準，並緊守強調透明、獨立、問責、負責任及公允之企業管治原則。本公司於截至二零一零年三月三十一日止年度（「回顧年度」）一直應用聯交所證券上市規則（「上市規則」）附錄十四所載企業管治常規守則（「守則」）之守則條文之原則，惟如下文所披露偏離守則條文第A.1.1、A.2.1及E.1.2條之情況除外。

董事會

董事會承擔領導及監控本公司之責任，並整體上透過督導及監管本公司事務推動本公司取得佳績。董事會應時刻在符合本公司及其股東最佳利益之前提下行事。董事會為本公司制定策略及監察高級管理人員之表現及活動。

董事會目前由三名執行董事及三名獨立非執行董事組成。有關董事之履歷簡介及彼等之間之關係載於本報告「董事及高級管理人員簡歷」一節。本公司執行董事負責本公司之日常運作；本公司獨立非執行董事負責確保向董事會及本公司股東作出之財務及管理報告達到高標準，平衡董事會之組成，使董事會具有高度獨立地位。

董事會於有需要時舉行會議以維持靈活彈性。於回顧年度內，董事會曾舉行五次會議，數目超過守則條文第A.1.1條所規定之最低董事會會議數目，個別董事之出席紀錄如下：

董事姓名	出席會議次數
執行董事：	
羅方紅 (主席兼董事總經理)	3/5
王翔飛	5/5
關文輝	1/5
獨立非執行董事：	
黃文顯	3/5
林家威	3/5
陳耀輝	3/5

THE BOARD (continued)

Directors who are considered having conflict of interest or material interests in the proposed transactions or issues to be discussed, would not be counted in the quorum of meeting and would abstain from voting on the relevant resolution.

All directors of the Company have access to the Company Secretary who attended all the scheduled Board meetings and is responsible for ensuring that the Board procedures are being complied with, and advising the Board on compliance matters. Each of the independent non-executive directors of the Company has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board considers that all the independent non-executive directors of the Company are independent in accordance with the Listing Rules. Code provision A.4.1 specifies that non-executive directors should be appointed for a specific term, subject to re-election. The three independent non-executive directors of the Company appointed on 25 March 2008 have entered into service agreements with the Company on 3 May 2008 for an initial term of 3 years with a commencement date of 25 March 2008. However, they are still subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Company's bye-laws.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by its directors. All directors of the Company have confirmed, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the year ended 31 March 2010.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 stipulates that the roles of chairman and chief executive officer ("CEO") should be separate and should not be performed by the same individual.

During the year under review, the Company did not have any officer with CEO title. Ms. Lo Fong Hung, the Chairperson and Managing Director of the Company, also carried out the responsibility of CEO during such period. In view of the size of operation of the Group, the Board considered that this structure is more suitable for the Company as it can promote the efficient formulation and implementation of the Company's strategies.

董事會 (續)

於建議交易或將予討論事項中被視為存在利益衝突或擁有重大利益之董事不會計算入會議之法定人數，彼等亦會就有關決議案放棄投票。

本公司全體董事均可接觸公司秘書。公司秘書出席所有擬定之董事會會議及負責確保董事會程序得以遵守，及就合規事宜向董事會提供意見。本公司各獨立非執行董事已根據上市規則第3.13條發出年度獨立確認書。董事會認為本公司所有獨立非執行董事具上市規則所指之獨立地位。守則條文第A.4.1條訂明非執行董事須按指定任期委任，並須重選連任。本公司三名於二零零八年三月二十五日獲委任之獨立非執行董事已於二零零八年五月三日與本公司訂立服務協議，由二零零八年三月二十五日起計初步為期三年。然而，彼等仍須根據本公司之公司細則條文於本公司之股東週年大會上輪值退任及重選連任。

董事證券交易

本公司已採納上市規則附錄十所載之標準守則作為其董事進行證券交易之操守守則。本公司全體董事已於本公司作出特定查詢後確認，彼等於截至二零一零年三月三十一日止年度內遵守標準守則所載之規定準則。

主席及行政總裁

守則條文第A.2.1條規定須分開主席與行政總裁（「行政總裁」）之角色，不應由同一個人士擔任。

於回顧年度，本公司並無任何人士出任行政總裁。本公司主席兼董事總經理羅方紅女士於有關期間亦履行行政總裁之職務。鑑於本集團之營運規模，董事會認為，現時架構能促進本公司策略之有效制定及落實，故更適合本公司。

REMUNERATION COMMITTEE

The Remuneration Committee was set up in July 2005 with specific terms of reference which include reviewing the Company's policy and structure on the remuneration of directors and senior management of the Company, making recommendation to the Board on the remuneration of the directors and senior management of the Company and advising shareholders of the Company how to vote with respect to any service contracts of directors that require shareholders' approval under the Listing Rules.

The Remuneration Committee currently consists of an executive director of the Company, namely Mr. Kwan Man Fai and three independent non-executive directors of the Company, namely Messrs. Wong Man Hin, Raymond, Lam Ka Wai, Graham and Chan Yiu Fai, Youdey.

The emoluments of the directors of the Company are decided by the Board, as authorised by the shareholders at the annual general meeting having regard to the operating results of the Company, individual performance and prevailing market conditions. The Company has also adopted a share option scheme as an incentive to directors and senior management of the Group. The Board conducts regular review of the structure and composition of the Committee with particular attention to the skills, knowledge and experience of individual members.

A total of one meeting has been held in the year under review and the individual attendance of members are as follows:-

Name of members	Number of meetings attended
Kwan Man Fai (Chairman)	1/1
Wong Man Hin, Raymond	1/1
Lam Ka Wai, Graham	1/1
Chan Yiu Fai, Youdey	1/1

ACCOUNTABILITY AND INTERNAL CONTROL

The directors of the Company acknowledge their responsibility to present a balanced, clear and understandable assessment relating to annual and interim reports, price-sensitive announcements and other financial disclosures under the Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements. As at 31 March 2010, the directors of the Company are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the ability of the Company to continue as a going concern basis. The statement of the external auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the Auditor's Report on page 24 of this report.

薪酬委員會

薪酬委員會於二零零五年七月成立，並訂有特定職權範圍，其中包括檢討本公司董事及高級管理人員之薪酬政策及架構、就本公司董事及高級管理人員之薪酬向董事會提出建議，及向本公司股東提供如何就根據上市規則須由股東批准之任何董事服務合約作出表決之意見。

薪酬委員會成員現時包括本公司一名執行董事關文輝先生以及本公司三名獨立非執行董事黃文顯先生、林家威先生及陳耀輝先生。

本公司董事之酬金由董事會依據股東於股東週年大會上向其授出之權力，經參考本公司經營業績、個人表現及現行市況釐定。本公司亦採納購股權計劃，作為對本集團董事及高級管理人員之獎勵。董事會定期檢討該委員會之架構及成員組合，尤其重視個別成員之技能、知識及經驗。

於回顧年度共舉行一次會議，個別成員之出席紀錄如下：

成員姓名	出席會議次數
關文輝(主席)	1/1
黃文顯	1/1
林家威	1/1
陳耀輝	1/1

問責制及內部監控

本公司各董事明白彼等有責任就年報及中期報告、股價敏感公佈、上市規則項下之其他財政披露、呈交監管機構之報告以及根據法定規定須予披露之資料提呈中肯、清晰及合理之評估。於二零一零年三月三十一日，本公司董事並不知悉任何有關可能對本公司按持續基準繼續經營之能力構成重大疑問之事件或情況之任何重大不明朗因素。本公司外聘核數師就彼等對綜合財務報表之申報責任所發出之聲明載於本報告第24頁之核數師報告。

AUDITOR'S REMUNERATION

For the year ended 31 March 2010, SHINEWING (HK) CPA Limited, the auditor of the Company, the fee paid or payable to the auditor and its affiliates provided to the Group as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Audit services	審核服務	680	440
Non-audit and taxation services	非審核及稅務服務	26	75
Total	總計	706	515

The directors of the Company acknowledge their responsibility in ensuring the Company maintains sound and effective internal controls to safeguard the shareholders' investment and the Company's assets, and have conducted an annual review on the effectiveness of the Group's internal control system. The review includes financial, operational and compliance controls and risk management functions.

AUDIT COMMITTEE

The Company has established an Audit Committee with specific written terms of reference. The terms of reference of the Audit Committee have included the duties which are set out in the Code provision C.3.3 of the Code, with appropriate modifications when necessary.

The Audit Committee currently consists of three independent non-executive directors of the Company namely, Messrs. Wong Man Hin, Raymond, Lam Ka Wai, Graham and Chan Yiu Fai, Youdey.

A total of two meetings have been held in the year under review and the individual attendance of members are as follows:

Name of members	Number of meetings attended
Lam Ka Wai, Graham (Chairman)	2/2
Wong Man Hin, Raymond	2/2
Chan Yiu Fai, Youdey	2/2

核數師酬金

截至二零一零年三月三十一日止年度，本公司核數師為信永中和(香港)會計師事務所有限公司，就向本集團提供之服務已付或應付核數師及其聯屬人士之費用如下：

本公司各董事明白彼等有責任確保本公司保持良好及有效之內部監控，以保障股東之投資及本公司之資產，並已對本集團內部監控制度之有效程度進行年度檢討。有關檢討包括財務、營運及合規監控以及風險管理之職能。

審核委員會

本公司已成立審核委員會，並訂立特定書面職權範圍。審核委員會之職權範圍包括守則之守則條文第C.3.3條所載之職責，並於需要時作出適當修訂。

審核委員會成員現時包括本公司三名獨立非執行董事黃文顯先生、林家威先生及陳耀輝先生。

於回顧年度內共舉行兩次會議，個別成員之出席紀錄如下：

成員姓名	出席會議次數
林家威(主席)	2/2
黃文顯	2/2
陳耀輝	2/2

AUDIT COMMITTEE (continued)

The Audit Committee reviewed the interim and full year consolidated financial statements, including the Group's adopted accounting principles and practices, internal controls, and financial reporting matters in conjunction with the external auditor. The Audit Committee endorsed the accounting treatment adopted by the Company and had the best of its ability assured itself that the disclosure of the financial information in this report complies with the applicable accounting standards and Appendix 16 of the Listing Rules.

The Audit Committee has recommended to the Board that SHINEWING (HK) CPA Limited, Certified Public Accountants, be nominated for re-appointment as external auditor of the Company at the forthcoming annual general meeting of the Company.

SHAREHOLDER'S COMMUNICATIONS

In order to develop and maintain a continuing investors' relationship with the Company's shareholders, the Company has established various channels of communications with its shareholders such as publication of interim and annual reports, press release and announcement of the latest development of the Company in a timely manner. The annual general meeting provides an opportunity for shareholders to exchange views with the Board. Moreover, resolutions are proposed at annual general meeting on each substantially separate issue, including the election of individual directors. Details of the proposed resolutions are also set out in the circular to shareholders accompanying with the annual report.

Code provision E.1.2 stipulates that the chairman of the board should attend the annual general meeting of the Company. Due to other business commitment, Ms. Lo Fong Hung, the Chairperson of the Board, was unable to attend the annual general meeting of the Company held on 20 July 2009.

審核委員會(續)

審核委員會已與外聘核數師審閱中期及全年之綜合財務報表，包括本集團所採納之會計原則及慣例、內部監控及財務申報事宜。審核委員會認同本公司採納之會計處理方式，並已盡力確保本報告遵照適用會計準則及上市規則附錄十六披露該等財務資料。

審核委員會已向董事會建議，於本公司應屆股東週年大會上提名執業會計師信永中和(香港)會計師事務所有限公司續任本公司之外聘核數師。

股東之通訊

為與本公司股東發展和維繫持續之投資者關係，本公司已設立多個渠道與股東溝通，如刊發中期報告及年報，適時地就本公司之最新發展發出新聞稿及公佈。股東亦可藉股東週年大會與董事會作意見交流。此外，於股東週年大會上將就各項重要獨立議題(包括個別董事之選舉)提呈決議案。所提呈決議案詳情亦載於隨本年報寄交股東之通函內。

守則條文第E.1.2條規定董事會主席須出席本公司股東週年大會。基於其他業務承擔，董事會主席羅方紅女士未能出席本公司於二零零九年七月二十日舉行之股東週年大會。

REPORT OF THE DIRECTORS

董事會報告

The directors of the Company present their report and the audited financial statements of the Company and the Group for the year ended 31 March 2010.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (the “Group”) are marketing of clocks and other office related products, the provision of management services related to oil trading, and mining, sales and distribution of coal.

CHANGE OF COMPANY NAME

By a special resolution passed on 20 July 2009, the name of the Company was changed from “Artfield Group Limited” to “China Sonangol Resources Enterprise Limited” and the Company adopted the Chinese name “安中資源實業有限公司” as Chinese secondary name of the Company.

RESULTS AND DIVIDENDS

The Group’s results for the year ended 31 March 2010 and the state of affairs of the Company and the Group at that date are set out in the consolidated financial statements on pages 26 to 102. The directors of the Company do not recommend the payment of any dividend in respect of the year.

FIVE YEARS FINANCIAL SUMMARY

A summary of the published results, assets and liabilities, and minority interests of the Group for the last five financial years, as extracted from the audited financial statements is set out on pages 103 to 104 of the annual report. This summary does not form part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 16 to the consolidated financial statements.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company’s share capital and share options are set out in notes 28 and 36 to the consolidated financial statements.

CONVERTIBLE LOAN NOTES

Details of the convertible loan notes issued by the Company during the year are set out in note 27 to the consolidated financial statements.

本公司董事謹此提呈本公司及本集團截至二零一零年三月三十一日止年度之董事會報告及經審核財務報表。

主要業務

本公司為一間投資控股公司。本公司及其附屬公司(「本集團」)之主要業務為時鐘及其他辦公室相關產品之營銷、提供有關石油貿易之管理服務，以及煤炭開採、銷售及分銷業務。

更改公司名稱

本公司於二零零九年七月二十日通過特別決議案，將本公司名稱由「Artfield Group Limited」改為「China Sonangol Resources Enterprise Limited」，並採納中文名稱「安中資源實業有限公司」為本公司之第二中文名稱。

業績及股息

本集團截至二零一零年三月三十一日止年度之業績及本公司與本集團於該日之業務狀況載於第26至102頁之綜合財務報表內。本公司董事不建議派發該年度任何股息。

五年財務摘要

本集團過去五個財政年度已公佈之業績、資產及負債以及少數股東權益概要(節錄自經審核財務報表)載於年報第103至104頁。此概要並不構成經審核財務報表一部分。

物業、廠房及設備

本集團年內之物業、廠房及設備之變動詳情載於綜合財務報表附註16。

股本及購股權

本公司之股本及購股權變動詳情載於綜合財務報表附註28及36。

可換股借貸票據

本公司於年內發行之可換股借貸票據詳情載於綜合財務報表附註27。

CONNECTED TRANSACTIONS

On 11 July 2008, the Company entered into the services agreement with China Sonangol International Limited (“China Sonangol”), the holding company of controlling shareholder of the Company, pursuant to which the Company agree to provide, among others, certain marketing analysis, new clipping, preparation of sales report, invoicing and preparation of management accounts services on oil trading to China Sonangol. The Company has agreed to provide the services to China Sonangol for a period of 18 months, commenced from 1 August 2008 and China Sonangol has agreed to pay to the Company a monthly services fee of HK\$500,000.

For the year ended 31 March 2010, the management fee incomes received were amount to HK\$5,000,000. The services agreement was expired on 31 January 2010.

Pursuant to Rule 14A.38 of the Listing Rules, the Board has engaged the auditor of the Company to perform certain agree-upon procedures on the aforesaid continuing connected transactions. Based on the work performed, the auditor of the Company have provided a letter to the Board confirming that the aforesaid continuing connected transactions:

- (i) had been approved by the directors of the Company;
- (ii) had been entered into in accordance with the terms of the relevant agreements governing such transaction; and
- (iii) had not exceeded the caps disclosed in the relevant announcements.

The independent non-executive directors of the Company have reviewed the above continuing connected transactions and are of the opinion that the terms of the above transactions are fair and reasonable so far as the shareholders of the Company are concerned; in the ordinary and usual course of business and were carried out in accordance with the terms of the agreements governing such transactions.

PRE-EMPTIVE RIGHTS

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

PURCHASE, SALE OR REDEMPTION OF SHARES

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

關連交易

於二零零八年七月十一日，本公司與其控股股東之控股公司安中國際石油有限公司（「安中國際」）訂立服務協議，據此，本公司同意向安中國際提供（其中包括）有關石油貿易之若干營銷分析、剪報、編製銷售報告、發票及編製管理賬目服務。本公司同意自二零零八年八月一日起十八個月期間向安中國際提供服務，而安中國際同意向本公司支付每月服務費500,000港元。

於截至二零一零年三月三十一日止年度，已收管理費收入為5,000,000港元。服務協議已於二零一零年一月三十一日屆滿。

根據上市規則第14A.38條，董事會已委聘本公司核數師就上述持續關連交易履行若干協定程序。本公司核數師已就所履行工作向董事會發出函件，確認上述持續關連交易：

- (i) 已獲本公司董事批准；
- (ii) 已按監管該等交易之相關協議條款訂立；及
- (iii) 並無超出有關公佈所披露上限。

本公司獨立非執行董事已審閱上述持續關連交易，而上述交易之條款對本公司股東而言屬公平合理；有關交易乃於本公司之一般日常業務中進行；並按照監管該等交易之相關協議條款進行。

優先購買權

本公司之公司細則或百慕達法例並無有關優先購買權之條文，以致本公司必須向其現有股東按持股比例發行新股份。

購入、出售或贖回股份

本公司或其任何附屬公司於年內概無購入、出售或贖回本公司任何股份。

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 38(b) to the consolidated financial statements and in the consolidated statements of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 March 2010, the Company had no retained profits available for cash distribution and/or distribution in specie. Under the Companies Act 1981 of Bermuda, the Company's contributed surplus of HK\$128,013,000 may be distributed under certain circumstances. In addition, the Company's share premium account with a balance of HK\$191,534,000 may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for 43% of the total sales for the year and sales to the largest customer included therein amounted to 11%. Purchases from the Group's five largest suppliers accounted for 74% of the total purchases for the year and purchases from the largest supplier included therein amounted to 25%.

DIRECTORS

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

Executive directors:

Lo Fong Hung (*Chairperson and Managing Director*)
Wang Xiangfei
Kwan Man Fai

Independent non-executive directors:

Wong Man Hin, Raymond
Lam Ka Wai, Graham
Chan Yiu Fai, Youdey

In accordance with bye-law 87 of the Company's Bye-laws, Messrs Wang Xiangfei and Chan Yiu Fai, Youdey will retire by rotation and be eligible for re-election at the forthcoming annual general meeting.

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 9 and 11 of the annual report.

儲備

本公司及本集團於年內之儲備變動詳情分別載於綜合財務報表附註38(b)及綜合權益變動表。

可供分派儲備

於二零一零年三月三十一日，本公司並無可供作為現金分派及／或實物分派之保留溢利。根據百慕達一九八一年公司法，本公司之繳入盈餘為128,013,000港元，於若干情況下可供分派。此外，本公司之股份溢價賬結餘為191,534,000港元，可作繳足紅股形式分派。

主要客戶及供應商

於回顧年度內，本集團五大客戶之銷售額佔全年總銷售額43%，而當中最大客戶之銷售額則佔11%。本集團五大供應商之採購額佔全年總採購額74%，而當中最大供應商之採購額則佔25%。

董事

以下為年內及截至本報告日期之本公司董事：

執行董事：

羅方紅(*主席兼董事總經理*)
王翔飛
關文輝

獨立非執行董事：

黃文顯
林家威
陳耀輝

按照本公司之公司細則第87條規定，王翔飛先生及陳耀輝先生將輪值退任，並符合資格於應屆股東週年大會重選連任。

董事及高級管理人員簡歷

本公司董事及本集團高級管理人員簡歷詳情載於年報第9至11頁。

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' INTERESTS IN CONTRACTS

No director of the Company had a significant beneficial interest, either direct or indirect, in any contract of significance to the business of the Group to which the Company or any its subsidiaries was a party at any time during the year ended 31 March 2010.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 March 2010, the interests of the directors and chief executives of the Company in the shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register kept by the Company pursuant to section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers were as follows:

Long position

Interest in an associated corporation of the Company

董事服務合約

本公司並無與擬於應屆股東週年大會上重選連任之本公司董事訂立任何不可由本公司於一年內無償終止(法定補償除外)之服務合約。

董事合約權益

本公司董事概無於本公司或其任何附屬公司於截至二零一零年三月三十一日止年度內任何時間所訂立與本集團業務有重大關連之任何合約中，擁有任何直接或間接重大實益權益。

董事及主要行政人員之股份及相關股份權益

於二零一零年三月三十一日，本公司董事及主要行政人員於本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份中，擁有本公司根據證券及期貨條例第352條須記入該條所指登記冊之權益；或根據上市發行人董事進行證券交易的標準守則須另行知會本公司及聯交所之權益如下：

好倉

於本公司相聯法團之權益

Name of Director	Name of associated corporation	Nature of interest	Number of shares interested	Approximate percentage of the issued share capital
董事姓名	相聯法團名稱	權益性質	持有權益之股份數目	佔已發行股本概約百分比
Ms. Lo Fong Hung (Note 1) 羅方紅女士(附註1)	New Bright International Development Limited 創輝國際發展有限公司	Interests of controlled corporation 受控制法團之權益	3,000 (L)	30.0%
Mr. Wang Xiangfei (Note 2) 王翔飛先生(附註2)	New Bright International Development Limited 創輝國際發展有限公司	Interests of controlled corporation 受控制法團之權益	3,000 (L)	30.0%

(L) denotes as long position

(L) 指好倉

Notes:

- Ms. Lo Fong Hung ("Ms. Lo") is interested in 3,000 shares in New Bright International Development Limited ("New Bright"), representing 30% of the issued share capital of New Bright, which currently owns 70% shareholding interests in China Sonangol International Limited ("China Sonangol"). China Sonangol is the holding company of Ascent Goal Investments Limited ("Ascent Goal"), the controlling shareholder of the Company. The shareholding interests of Ascent Goal is set out in the section headed "Substantial Shareholders" of this report.
- Mr. Wang Xiangfei is the husband of Ms. Lo and is deemed to be interested in 3,000 shares of New Bright under the SFO.
- Ms. Lo, an executive director, owns 30% of the issued share capital of New Bright which in turn is interested in 70% of China Sonangol. China Sonangol is the holding company of Ascent Goal. Thus, Ms. Lo has an attributable interest in 569,616,589 shares and a HK\$200,000,000 convertible bond giving rise to an interest in 1,000,000,000 underlying shares.

附註：

- 羅方紅女士(「羅女士」)擁有創輝國際發展有限公司(「創輝」)3,000股股份權益，相當於創輝已發行股本之30%。創輝目前擁有安中國際石油有限公司(「安中國際」)之70%持股權益。安中國際為本公司控股股東晉標投資有限公司(「晉標」)之控股公司。晉標之持股權益載於本報告「主要股東」一節。
- 王翔飛先生為羅女士之丈夫，故根據證券及期貨條例被視為擁有3,000股創輝股份之權益。
- 執行董事羅女士擁有創輝已發行股本之30%，而創輝擁有安中國際之70%權益。安中國際為晉標之控股公司。因此，羅女士於569,616,589股股份及導致彼於1,000,000,000股相關股份擁有權益之200,000,000港元可換股債券中擁有應佔權益。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under note 36 to the consolidated financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEME

Particulars of the Company's share option scheme are set out in note 36 to the consolidated financial statements.

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2010, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO showed that other than the interests disclosed above in respect of certain directors and chief executives, the following shareholders had notified the Company of the relevant interests in the issued share capital of the Company.

Long positions in shares or underlying shares of the Company

Name of Shareholders	Note	Nature of interest	Number of shares held	Number of underlying shares held	Total number of shares and underlying shares held	Approximate percentage of the issued share capital of the Company
股東名稱	附註	權益性質	所持股份數目	所持相關股份數目	所持股份及相關股份總數	佔本公司已發行股本概約百分比
Ascent Goal 晉標	1,4	Beneficial owner 實益擁有人	569,616,589	1,000,000,000	1,569,616,589	205.08%
China Sonangol 安中國際	2,4	Interests of controlled corporation 受控制法團之權益	569,616,589	1,000,000,000	1,569,616,589	205.08%
New Bright 創輝	2,4	Interests of controlled corporation 受控制法團之權益	569,616,589	1,000,000,000	1,569,616,589	205.08%
Ms. Fung Yuen Kwan, Veronica 馮婉筠女士	3,4	Interests of controlled corporation 受控制法團之權益	569,616,589	1,000,000,000	1,569,616,589	205.08%
Africa Israel Financial Assets and Strategies Ltd	5	Beneficial owner 實益擁有人	45,000,000	-	45,000,000	5.88%
Africa Israel Investments Ltd	5	Interests of controlled corporation 受控制法團之權益	45,000,000	-	45,000,000	5.88%
Mr. Lev Leviev Lev Leviev先生	6	Beneficial owner 實益擁有人	1,000,000	-	1,000,000	0.13%
	6	Interests of controlled corporation 受控制法團之權益	74,000,000	-	74,000,000	9.67%

董事購買股份或債券之權利

除綜合財務報表附註36所披露者外，於年內任何時間，各董事、彼等各自之配偶或十八歲以下子女並無擁有任何透過購入本公司股份或債券而獲利之權利，亦無行使任何該等權利；而本公司或其任何附屬公司概無訂立任何安排，致使董事可藉以購入其他法人團體之股份或債券而獲利。

購股權計劃

本公司購股權計劃之詳情載於綜合財務報表附註36。

主要股東

於二零一零年三月三十一日，本公司根據證券及期貨條例第336條所存置主要股東名冊顯示，除上文所披露有關若干董事及主要行政人員之權益外，下列股東已知會本公司彼等於本公司已發行股本之有關權益。

於本公司股份或相關股份之好倉

SUBSTANTIAL SHAREHOLDERS (continued)

Long positions in shares or underlying shares of the Company (continued)

Notes:

1. Ascent Goal was directly interested in 569,616,589 shares and a further 1,000,000,000 underlying shares which may be fully allotted and issued if the convertible bond in the principal amount of HK\$200,000,000 (the "Convertible Bond") are converted at the conversion price of HK\$0.20. These 1,569,616,589 shares were held by Ascent Goal directly as beneficial owner. It includes (i) interests in 569,616,589 shares and (ii) the Convertible Bond giving rise to an interest in 1,000,000,000 underlying shares.
2. Since Ascent Goal is a wholly-owned subsidiary of China Sonangol which is beneficially owned as to 70% by New Bright, the interests of Ascent Goal is deemed to be the interests of China Sonangol and in turn the interests of New Bright under the SFO.
3. Ms. Fung Yuen Kwan, Veronica is deemed to have interests in the shares and underlying shares through her 70% interests in New Bright.
4. The 569,616,589 shares and 1,000,000,000 underlying shares under the Convertible Bond represent 74.42% and 130.66% of the existing issued share capital of the Company respectively, thus the total of 569,616,589 shares and 1,000,000,000 underlying shares represents 205.08% of the existing issued share capital of the Company. The conversion rights attaching to the Convertible Bond will not be exercised and the Company will not issue the conversion shares if, immediately following the conversion, the Company would be unable to meet the public float requirement under the Listing Rules.
5. These 45,000,000 shares were held by Africa Israel Financial Assets and Strategies Ltd, a company wholly owned by Africa Israel Investments Ltd.
6. Mr. Lev Leviev is the beneficial owner of these 75,000,000 shares. Among these shares, 45,000,000 shares were held by Africa Israel Financial Assets and Strategies Ltd, a company controlled by Mr. Lev Leviev through his 74.89% interests in Africa Israel Investments Ltd; 29,000,000 shares were held by Memorand Management (1998) Ltd, a company controlled by Mr. Lev Leviev through his 99% interests in Memorand Ltd; and 1,000,000 shares were held by Mr. Lev Leviev directly.
7. The approximate percentage of shareholdings is based on 765,373,584 shares as at 31 March 2010, not the enlarged issued share capital of the Company upon full conversion of the Convertible Bond.

主要股東 (續)

於本公司股份或相關股份之好倉 (續)

附註：

1. 晉標於569,616,589股股份中擁有直接權益，並於本金額為200,000,000港元之可換股債券（「可換股債券」）按兌換價0.20港元兌換時可能全面配發及發行之額外1,000,000,000股相關股份中擁有直接權益。該1,569,616,589股股份由晉標作為實益擁有人直接持有，包括(i)於569,616,589股股份之權益；及(ii)涉及1,000,000,000股相關股份權益之可換股債券。
2. 由於晉標為安中國際之全資附屬公司，而安中國際由創輝實益擁有70%，故根據證券及期貨條例，晉標之權益被視為安中國際之權益，繼而被視為創輝之權益。
3. 馮婉筠女士因擁有創輝70%權益而被視為擁有股份及相關股份之權益。
4. 該569,616,589股股份及可換股債券項下之1,000,000,000股相關股份分別相當於本公司現有已發行股本之74.42%及130.66%，因此，該569,616,589股股份及1,000,000,000股相關股份合共相當於本公司現有已發行股本之205.08%。倘緊隨兌換後，本公司未能達到上市規則之公眾持股量規定，則可換股債券附帶之兌換權將不予行使，而本公司亦將不會發行兌換股份。
5. 該等45,000,000股股份由Africa Israel Investments Ltd之全資公司Africa Israel Financial Assets and Strategies Ltd持有。
6. Lev Leviev先生為該等75,000,000股股份之實益擁有人。於該等股份中，45,000,000股股份由Lev Leviev先生於其中擁有74.89%權益之Africa Israel Investments Ltd所控制公司Africa Israel Financial Assets and Strategies Ltd持有；29,000,000股股份則由Lev Leviev先生於其中擁有99%權益之Memorand Ltd所控制公司Memorand Management(1998)Ltd持有；而1,000,000股股份則由Lev Leviev先生直接持有。
7. 持股概約百分比乃根據於二零一零年三月三十一日之765,373,584股股份計算，而非根據於全部兌換可換股債券後本公司之經擴大已發行股本計算。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

No director of the Company had interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules, during the year and up to the date of this report.

CORPORATE GOVERNANCE

In the opinion of the directors of the Company, the Company has complied throughout the year ended 31 March 2010 with the Code of Best Practice as set out in Appendix 14 of the Listing Rules, save as the deviations disclosed in the Corporate Governance Report as set out on pages 12 to 16.

PUBLIC FLOAT

As at the date of this report, based on the information publicly available to the Company and within the knowledge of the directors of the Company, over 25% of the issued share capital of the Company was held by the public as required under the Listing Rules.

CONFIRMATION OF INDEPENDENCE

The company has received from each of the independent non-executive directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the independent non-executive directors to be independent.

AUDITOR

SHINEWING (HK) CPA Limited ("SHINEWING") had been the auditor of the Company for the year ended 31 March 2010. A resolution for the re-appointment of SHINEWING as auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

On Behalf of the Board

Lo Fong Hung

Chairperson and Managing Director
Hong Kong, 18 June 2010

董事於競爭業務之權益

於年內及截至本報告日期，本公司董事概無於與本集團業務直接或間接競爭或可能競爭之業務(定義見上市規則)中擁有權益。

企業管治

本公司董事認為，除載於第12至16頁之企業管治報告所披露偏離行為外，本公司於截至二零一零年三月三十一日止年度已遵守上市規則附錄十四之最佳應用守則。

公眾持股量

按本公司所取得公開資料及據本公司董事所知，於本報告日期，公眾人士持有本公司已發行股本超過25%，符合上市規則所規定者。

確認獨立身分

本公司已接獲各獨立非執行董事根據上市規則第3.13條就其獨立身分所作出年度確認，並認為所有獨立非執行董事均為獨立人士。

核數師

於截至二零一零年三月三十一日止年度，信永中和(香港)會計師事務所有限公司(「信永中和」)為本公司核數師。本公司將於應屆股東週年大會提呈決議案，續聘信永中和為本公司核數師。

代表董事會

羅方紅

主席兼董事總經理
香港，二零一零年六月十八日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



SHINEWING (HK) CPA Limited
43/F., The Lee Gardens
33 Hysan Avenue
Causeway Bay, Hong Kong



信永中和(香港)
會計師事務所有限公司
香港銅鑼灣
希慎道33號利園43樓

TO THE SHAREHOLDERS OF CHINA SONANGOL RESOURCES ENTERPRISE LIMITED (FORMERLY KNOWN AS ARTFIELD GROUP LIMITED)

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of China Sonangol Resources Enterprise Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 26 to 102 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.

致安中資源實業有限公司 (前稱雅域集團有限公司)股東

(於百慕達註冊成立之有限公司)

我們已完成審核第26至102頁所載安中資源實業有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，其中包括於二零一零年三月三十一日之綜合財務狀況報表及截至該日期止年度之綜合全面收益表、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說明附註。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例有關之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之內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述；選擇和應用適當之會計政策；及按情況作出合理之會計估計。

核數師之責任

我們的責任是根據我們的審核對該等綜合財務報表發表意見，我們的報告僅按照百慕達公司法第90條，為股東(作為一個團體)而編製，並不為其他任何目的。我們並不就本報告之內容對任何其他人士承擔任何義務或責任。我們已根據香港會計師公會頒佈之香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定綜合財務報表是否不存有任何重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT (continued)
獨立核數師報告 (續)

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 the Group as at 31 March 2010 and of the Group's loss 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.

SHINEWING (HK) CPA Limited

Certified Public Accountants

Pang Wai Hang

Practising Certificate Number: P05044

Hong Kong
18 June 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之審核憑證。所選取之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與公司編製及真實而公平地列報綜合財務報表相關之內部控制，以設計按情況適當之審核程序，但並非為對公司內部控制之成效發表意見。審核亦包括評價董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評價綜合財務報表之整體列報方式。

我們相信，我們所獲得的審核憑證足以適當地為我們之審核意見提供基礎。

意見

我們認為，綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團於二零一零年三月三十一日之業務狀況及 貴集團截至該日止年度之虧損及現金流量，並已根據香港公司條例之披露規定妥善編製。

信永中和(香港)會計師事務所有限公司

執業會計師

彭衛恆

執業證書號碼：P05044

香港
二零一零年六月十八日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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
Continuing operations 持續經營業務				
Turnover	營業額	7	96,090	23,105
Cost of sales and services provided	銷售及提供服務之成本		(88,012)	(17,134)
Gross profit	毛利		8,078	5,971
Other operating income	其他經營收入		2,752	5,874
Impairment loss on goodwill	商譽減值虧損	18	(5,400)	-
Net gain on deregistration of subsidiaries	附屬公司撤銷註冊之 收益淨額		-	2,618
Selling and distribution expenses	銷售及分銷費用		(3,164)	(3,508)
Administrative expenses	行政費用		(15,317)	(21,408)
Finance costs	融資成本	9	(18,756)	(16,640)
Loss before tax	除稅前虧損		(31,807)	(27,093)
Income tax (expense) credit	所得稅(開支)抵免	10	(2,163)	77
Loss for the year from continuing operations	持續經營業務之 年內虧損		(33,970)	(27,016)
Discontinued operations 終止經營業務				
Loss for the year from discontinued operations	終止經營業務之 年內虧損			
- Trading operation	- 貿易業務	11	-	(1,748)
Loss for the year	年內虧損	12	(33,970)	(28,764)
Other comprehensive (expense) income 其他全面(開支)收入				
Exchange difference arising on translation of overseas operation and net income directly recognised in equity	換算海外業務產生之 匯兌差額及直接於 權益確認之收入淨額		(419)	10,705
Other comprehensive (expense) income for the year (net of tax)	年內其他全面(開支) 收入(扣除稅項)		(419)	10,705
Total comprehensive expense for the year	年內全面開支總額		(34,389)	(18,059)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

綜合全面收益表 (續)

For the year ended 31 March 2009 截至二零一零年三月三十一日止年度

	NOTE 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Loss for the year attributable to:	以下人士應佔年內虧損：		
– Owners of the Company	– 本公司擁有人	(31,789)	(28,764)
– Minority interests	– 少數股東權益	(2,181)	–
		(33,970)	(28,764)
Total comprehensive expense attributable to:	以下人士應佔全面 開支總額：		
– Owners of the Company	– 本公司擁有人	(32,071)	(18,059)
– Minority interests	– 少數股東權益	(2,318)	–
		(34,389)	(18,059)
LOSS PER SHARE – BASIC AND DILUTED (Expressed in Hong Kong cents)	每股虧損 – 基本及攤薄 (以港仙呈列)		
From continuing operations	來自持續經營業務	(4.15)	(3.53)
From discontinued operations	來自終止經營業務	–	(0.23)
From continuing and discontinued operations	來自持續及終止經營業務	(4.15)	(3.76)

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

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
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	23,626	157
Intangible assets	無形資產	17	139,168	–
Goodwill	商譽	18	15,065	–
Security deposit	保證按金	19	1,844	–
			179,703	157
Current assets	流動資產			
Inventories	存貨	20	63,407	1,644
Deposits for acquisition of subsidiaries	收購附屬公司之按金	21	–	2,000
Trade and other receivables	應收貨款及其他應收款項	22	13,412	3,179
Bank balances and cash	銀行結存及現金	23	286,711	378,997
			363,530	385,820
Current liabilities	流動負債			
Trade and other payables	應付貨款及其他應付款項	24	39,600	7,414
Amounts due to related companies	應付關連公司款項	25	168	3,224
Amount due to a minority shareholder	應付一名少數股東款項	26	28,500	–
Convertible loan notes	可換股借貸票據	27	180,410	–
			248,678	10,638
Net current assets	流動資產淨值		114,852	375,182
Total assets less current liabilities	總資產減流動負債		294,555	375,339

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

綜合財務狀況報表(續)

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
Capital and reserves	股本及儲備			
Share capital	股本	28	76,537	76,537
Reserves	儲備		104,860	136,931
Equity attributable to owners of the Company	本公司擁有人應佔權益		181,397	213,468
Minority interests	少數股東權益		78,004	–
			259,401	213,468
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	29	33,364	–
Provision for close down, restoration and environmental costs	關閉、復墾及環境成本撥備	30	1,790	–
Convertible loan notes	可換股借貸票據	27	–	161,871
			35,154	161,871
			294,555	375,339

The consolidated financial statements on pages 26 to 102 were approved and authorised for issue by the board of directors on 18 June 2010 and are signed on its behalf by:

列載於26至102頁之綜合財務報表於二零一零年六月十八日由董事會批准及授權刊發，並由以下董事代為簽署：

Lo Fong Hung
羅方紅
Chairperson
主席

Kwan Man Fai
關文輝
Executive Director
執行董事

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

		Share capital	Share premium	Convertible loan notes reserve 可換股借貸	Share options reserve 購股權儲備	Capital reserve 資本儲備	Reserve and enterprise expansion funds 儲備及企業擴展基金	Exchange translation reserve 匯兌儲備	Accumulated losses 累計虧損	Total	Minority interests 少數股東權益	Total
		股本	股份溢價	票據儲備	購股權儲備	資本儲備	擴展基金	匯兌儲備	累計虧損	總額	權益	總額
		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
At 31 March 2008	於二零零八年三月三十一日	76,537	191,534	55,495	726	36,053	2,424	(9,061)	(119,547)	234,161	-	234,161
Loss for the year	年內虧損	-	-	-	-	-	-	-	(28,764)	(28,764)	-	(28,764)
Other comprehensive income for the year	年內其他全面收入	-	-	-	-	-	-	10,705	-	10,705	-	10,705
Total comprehensive income (expense) for the year	年內全面收入(開支)總額	-	-	-	-	-	-	10,705	(28,764)	(18,059)	-	(18,059)
Cancellation of share options granted to directors	註銷授予董事之購股權	-	-	-	(726)	-	-	-	726	-	-	-
Deregistration of subsidiaries	附屬公司撤銷註冊	-	-	-	-	-	-	(2,618)	-	(2,618)	-	(2,618)
Reserves realised upon disposal of subsidiaries	出售附屬公司時變現之儲備	-	-	-	-	(21,171)	(1,795)	(16)	22,966	(16)	-	(16)
At 31 March 2009	於二零零九年三月三十一日	76,537	191,534	55,495	-	14,882	629	(990)	(124,619)	213,468	-	213,468
Loss for the year	年內虧損	-	-	-	-	-	-	-	(31,789)	(31,789)	(2,181)	(33,970)
Other comprehensive expense for the year	年內其他全面開支	-	-	-	-	-	-	(282)	-	(282)	(137)	(419)
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	-	-	(282)	(31,789)	(32,071)	(2,318)	(34,389)
Addition on acquisition of subsidiaries	收購附屬公司時添置	-	-	-	-	-	-	-	-	-	80,322	80,322
Transfer	轉撥	-	-	-	-	-	4,725	-	(4,725)	-	-	-
		-	-	-	-	-	4,725	-	(4,725)	-	80,322	80,322
At 31 March 2010	於二零一零年三月三十一日	76,537	191,534	55,495	-	14,882	5,354	(1,272)	(161,133)	181,397	78,004	259,401

Note: In accordance with the Peoples' Republic of China (the "PRC") regulations, all of the Group's subsidiaries in the PRC are required to transfer part of their profit after tax to the reserve and enterprise expansion funds, which are non-distributable, before profit distributions are made. The amounts of the transfers are subject to the approval of the boards of directors of these companies in accordance with their articles of association.

附註：根據中華人民共和國(「中國」)規例，本集團所有在中國之附屬公司需要於分派溢利前將其部分除稅後溢利轉撥至不可分派之儲備及企業擴展基金。轉撥金額須經由該等公司之董事會按照其組織章程細則審批。

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

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Loss before tax	除稅前虧損	(31,807)	(27,093)
Loss before tax from discontinued operations	終止經營業務之除稅前虧損	-	(1,748)
		(31,807)	(28,841)
Adjustments for :	就下列項目作調整 :		
Net reversal of allowance for doubtful debts of trade receivables	應收貨款呆賬撥備撥回淨額	(553)	-
Bad debts directly written off	直接撇銷壞賬	-	3,728
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	1,677	453
Amortisation of intangible assets	無形資產攤銷	3,201	-
Finance costs	融資成本	18,756	16,640
Impairment loss on goodwill	商譽之減值虧損	5,400	-
Gain on disposal of subsidiaries	出售附屬公司之收益	-	(3)
Wavier of long outstanding trade payables	豁免長期未償還應付貨款	-	(4,162)
Net gain on deregistration of subsidiaries	附屬公司撤銷註冊之收益淨額	-	(2,618)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	100	3
Interest income	利息收入	(120)	(1,230)
Write down of inventories	撇減存貨	16,800	264
Operating cash flow before movements in working capital	營運資金變動前之經營現金流量	13,454	(15,766)
(Increase) decrease in inventories	存貨(增加)減少	(8,266)	1,328
Decrease in trade and other receivables	應收貨款及其他應收款項減少	18,399	18,996
Decrease in trade and other payables	應付貨款及其他應付款項減少	(25,074)	(8,360)
Decrease in provision	撥備減少	(4,816)	-
(Decrease) increase in amounts due to related companies	應付關連公司款項(減少)增加	(3,056)	194
Cash used in operations	經營業務所用現金	(9,359)	(3,608)
Hong Kong Profits Tax refund	已退回香港利得稅	-	224
Overseas taxes refund	已退回海外稅項	-	2
Overseas tax paid	已繳海外稅項	(5,029)	(65)
NET CASH USED IN OPERATING ACTIVITIES	經營業務所用現金淨額	(14,388)	(3,447)

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

綜合現金流量表 (續)

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

		Note 附註	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
INVESTING ACTIVITIES	投資業務			
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	收購附屬公司(扣除所購入現金及現金等值項目)	31	(69,605)	-
Additions of property, plant and equipment	添置物業、廠房及設備		(6,447)	(66)
Increase in security deposit	保證按金增加		(1,844)	-
Interest received	已收利息		120	1,230
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備之所得款項		30	35
Deposits paid for acquisition of subsidiaries	收購附屬公司所付按金		-	(2,000)
NET CASH USED IN INVESTING ACTIVITIES	投資業務所用現金淨額		(77,746)	(801)
FINANCING ACTIVITIES	融資業務			
Interest paid	已付利息		(217)	(6)
Repayment of bank loan	償還銀行貸款		-	(3,644)
Repayment of obligations under finance leases	償還融資租賃承擔		-	(3)
Advance from related companies	關連公司墊款		-	2,770
New bank loans raised	新增銀行貸款		-	1,365
NET CASH (USED IN) FROM FINANCING ACTIVITIES	融資業務(所用)所得現金淨額		(217)	482
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目之減少淨額		(92,351)	(3,766)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初之現金及現金等值項目		378,997	382,708
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響		65	55
CASH AND CASH EQUIVALENTS AT END OF YEAR, represented by bank balances and cash	年終之現金及現金等值項目 可分為銀行結存及現金		286,711	378,997

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

1. GENERAL

China Sonangol Resources Enterprise Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). In the opinion of the directors, the Group’s parent company is Ascent Goal Investments Limited (“Ascent Goal”) and the Group’s ultimate holding company is China Sonangol International Limited (“China Sonangol”), both are companies incorporated in Hong Kong with limited liability.

The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company.

The principal activities of the Company and its subsidiaries (the “Group”) are marketing of clocks and other office related products, provision of management services related to oil trading, and mining, sales and distribution of coal.

Pursuant to a special resolution passed at the annual general meeting held on 20 July 2009, the name of the Company was changed from Artfield Group Limited to China Sonangol Resources Enterprise Limited and 安中資源實業有限公司 was adopted as Chinese secondary name of the Company. The certificate of incorporation on change of name and the certificate of secondary name have been issued by the Registrar of Companies in Bermuda and the name change took into effect on 21 July 2009.

1. 一般資料

安中資源實業有限公司(「本公司」)於百慕達註冊成立為一間受豁免之有限公司，其股份在香港聯合交易所有限公司(「聯交所」)上市。董事認為，本集團之母公司為晉標投資有限公司(「晉標」)，而本集團之最終控股公司為安中國際石油有限公司(「安中國際」)，兩家公司均為於香港註冊成立之有限公司。

本公司註冊辦事處及主要營業地點之地址均於年報之公司資料中披露。

綜合財務報表以港元(「港元」)呈列，而本公司以港元作為功能貨幣。

本公司及其附屬公司(「本集團」)之主要業務為時鐘及其他辦公室相關產品之營銷、提供有關石油貿易之管理服務、煤炭開採、銷售及分銷。

根據於二零零九年七月二十日舉行之股東週年大會通過之一項特別決議案，本公司由Artfield Group Limited易名為China Sonangol Resources Enterprise Limited，並採納中文名稱「安中資源實業有限公司」為本公司第二中文名稱。百慕達公司註冊處處長已就更改名稱發出公司註冊證書及第二名稱證書，更改名稱於二零零九年七月二十一日生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

In the current year, the Group has applied a number of new and revised standards, amendments to standards and interpretations (“new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

Hong Kong Accounting Standard (“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)-Interpretation (“Int”) 9 & HKAS 39 (Amendments)	Embedded Derivatives
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 on 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 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 financial statements) and changes in the format and content of the financial statements.

2. 採用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，本集團已採用多項由香港會計師公會(「香港會計師公會」)頒佈之新訂及經修訂準則、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(「香港會計準則」)第1號(二零零七年經修訂)	呈列財務報表
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(修訂本)	可沽售金融工具及清盤產生之責任
香港財務報告準則第1號及香港會計準則第27號(修訂本)	於附屬公司、共同控制實體或聯營公司之投資成本
香港財務報告準則第2號(修訂本)	歸屬條件及註銷
香港財務報告準則第7號(修訂本)	改進金融工具之披露
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(「詮釋」)第9號及香港會計準則第39號(修訂本)	嵌入式衍生工具
香港(國際財務報告詮釋委員會)－詮釋第13號	顧客長期支持計劃
香港(國際財務報告詮釋委員會)－詮釋第15號	房地產建造協議
香港(國際財務報告詮釋委員會)－詮釋第16號	對沖海外業務投資淨額
香港(國際財務報告詮釋委員會)－詮釋第18號	來自客戶之資產轉讓
香港財務報告準則(修訂本)	於二零零八年頒佈之香港財務報告準則之改進，惟於二零零九年七月一日或之後開始之年度期間生效之香港財務報告準則第5號之修訂除外
香港財務報告準則(修訂本)	於二零零九年頒佈有關香港會計準則第39號第80段修訂之香港財務報告準則之改進

除下文所述者外，採納新訂及經修訂香港財務報告準則對本集團目前或過往會計期間之綜合財務報表並無造成重大影響。

香港會計準則第1號(二零零七年經修訂)呈列財務報表

香港會計準則第1號(二零零七年經修訂)對專用名稱作出修改(包括修改財務報表之標題)以及改變財務報表之形式及內容。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)**HKFRS 8 Operating Segments**

HKFRS 8 is a disclosure standard that has not resulted in a redesignation of the Group’s reportable segments but changed the basis of measurement of segment profit or loss, segment assets and segment liabilities as compared with the primary reportable segments determined in accordance with HKAS 14 Segment Reporting (see Note 8).

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not effective.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008 ¹
HKFRSs (Amendments)	Improvements to HKFRSs Issued in 2009 ²
HKFRSs (Amendments)	Improvements to HKFRSs Issued in 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 Hedge Items ¹
HKFRS 1 (Revised)	First-time Adoption of HKFRSs 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 Combination ¹
HKFRS 9	Financial Instruments ⁸
HK (IFRIC)-INT 14 (Amendment)	Prepayments of a Minimum Funding Requirement ⁷
HK (IFRIC)-INT 17	Distribution of Non-cash Assets to Owners ¹
HK (IFRIC)-INT 19	Extinguishing Financial Liabilities with Equity Instruments ⁶

2. 採用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，並無導致本集團須重新確定其可呈報分類，但與根據香港會計準則第14號分部報告確定之主要可呈報分類相比，該準則改變分類溢利或虧損、分類資產及分類負債之計量基準(見附註8)。

本集團並無提早採用下列已頒佈但尚未生效之新訂及經修訂準則、修訂或詮釋。

香港財務報告準則(修訂本)	香港財務報告準則第5號之修訂，作為二零零八年香港財務報告準則之改進部分 ¹
香港財務報告準則(修訂本)	於二零零九年頒佈之香港財務報告準則之改進 ²
香港財務報告準則(修訂本)	於二零一零年頒佈之香港財務報告準則之改進 ³
香港會計準則第24號(經修訂)	關連人士之披露 ⁷
香港會計準則第27號(經修訂)	綜合及獨立財務報表 ¹
香港會計準則第32號(修訂本)	供股分類 ⁵
香港會計準則第39號(修訂本)	合資格對沖項目 ¹
香港財務報告準則第1號(經修訂)	首次採納香港財務報告準則 ¹
香港財務報告準則第1號(修訂本)	首次採納者之額外豁免 ⁴
香港財務報告準則第1號(修訂本)	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(修訂本)	集團以現金結算之股份付款交易 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)-詮釋第14號(修訂本)	最低資金規定之預付款項 ⁷
香港(國際財務報告詮釋委員會)-詮釋第17號	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)-詮釋第19號	以股本工具抵銷金融負債 ⁶

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

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 Amendments that are 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 accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent'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 January 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. Specifically, 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 might affect the classification and measurement of the Group's financial assets.

2. 採用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

- ¹ 於二零零九年七月一日或之後開始之年度期間生效。
- ² 於二零零九年七月一日及二零一零年一月一日(視適用情況而定)或之後開始之年度期間生效之修訂。
- ³ 於二零一零年七月一日及二零一一年一月一日(視適用情況而定)或之後開始之年度期間生效之修訂。
- ⁴ 於二零一零年一月一日或之後開始之年度期間生效。
- ⁵ 於二零一零年二月一日或之後開始之年度期間生效。
- ⁶ 於二零一零年七月一日或之後開始之年度期間生效。
- ⁷ 於二零一一年一月一日或之後開始之年度期間生效。
- ⁸ 於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於二零零九年七月一日或之後開始之首個年度報告期間之業務合併會計處理法。香港會計準則第27號(經修訂)將影響母公司在附屬公司之擁有權權益變動之會計處理法。

香港財務報告準則第9號金融工具引入金融資產分類及計量之新規定，將由二零一三年一月一日起生效，並獲准提早應用。該準則規定香港會計準則第39號金融工具：確認及計量範圍內所有已確認金融資產按攤銷成本或公平值計量，尤其是(i)就收取合約現金流量目的以業務模式持有及(ii)擁有合約現金流量之純粹目的為支付本金及未償還本金之債務投資一般按攤銷成本計量。所有其他債務投資及股本投資按公平值計量。應用香港財務報告準則第9號可能影響本集團金融資產之分類及計量。

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 January 2010, with earlier application permitted. Before the amendments to HKAS 17, leases 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 and 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 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.

(a) 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 or up to the effective date of disposal, as appropriate.

2. 採用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，作為香港財務報告準則(二零零九年)之改進部分，香港會計準則第17號租賃已就租賃土地之分類作出修訂。該等修訂將於二零一零年一月一日起生效，並獲准提早應用。修訂香港會計準則第17號前，租賃須將租賃土地分類為經營租賃，並於綜合財務狀況報表呈列為預付租賃款項。該等修訂已刪除有關規定。取而代之，該等修訂規定將租賃土地按香港會計準則第17號所載一般原則為基準分類，即按出租人或承租人就租賃資產擁有權所附帶風險及回報程度確定。應用香港會計準則第17號之修訂或會對本集團租賃土地之分類及計量造成影響。

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

3. 主要會計政策

綜合財務報表乃根據歷史成本法編製，惟按公平值計算之若干金融工具除外，有關會計政策闡述如下。

綜合財務報表已根據香港會計師公會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規定之適用披露事項。

(a) 綜合賬目基準

綜合財務報表包括本公司及其控制之實體(其附屬公司)之財務報表。當本公司有權管轄一間實體之財務及經營政策，藉以從其活動獲益時，則被視為擁有該實體之控制權。

年內所收購或出售附屬公司之業績乃由實際收購日期起或至實際出售日期(按適當情況)止計入綜合全面收益表。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (continued)

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.

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.

(b) 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.

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 is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

3. 主要會計政策(續)

(a) 綜合賬目基準(續)

如需要，將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用者貫徹一致。

所有集團內公司間之交易、結餘、收入及開支均在綜合賬目中對銷。

綜合附屬公司資產淨值中之少數股東權益與本集團所佔股權分開呈列。資產淨值中之少數股東權益包括於該等權益於原業務合併當日之金額及少數股東分佔自合併日起之股權變動。除非少數股東有具約束力之義務及有能力增加投資以抵銷虧損，否則少數股東所佔虧損超逾其於附屬公司權益之差額將從本集團權益中扣減。

(b) 業務合併

收購業務乃以購買法列賬。收購成本乃按本集團就換取被收購公司控制權而給予之資產、產生或承擔之負債及所發行股本權益工具三者於交換日期之公平值總和，另加業務合併直接應佔之任何成本計量。被收購公司符合香港財務報告準則第3號業務合併所載確認條件之可識別資產、負債及或然負債乃按收購日期之公平值確認。

收購所產生商譽乃確認為資產，並初步按成本(即業務合併成本高於本集團於已確認可識別資產、負債及或然負債之公平淨值權益之差額)計量。倘於重新評估後，本集團於被收購公司之可識別資產、負債及或然負債之公平淨值權益高於業務合併成本，則高出數額會即時於損益確認。

少數股東於被收購方之權益初步按少數股東於已確認資產、負債及或然負債之公平淨值比例計量。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Goodwill

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

For the purposes 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 an 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 the profit or loss. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of the relevant cash-generating unit, the attributable amount of goodwill capitalised is included in the determination of the amount of profit or loss on disposal.

(d) Investments in subsidiaries

Investments in subsidiaries are included in the Company's statement of financial position at cost less any identified impairment loss.

(e) Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately and 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. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

3. 主要會計政策(續)

(c) 商譽

收購業務而產生之商譽乃按成本扣減任何累計減值虧損在綜合財務狀況報表列賬。

為進行減值測試，收購產生之商譽會分配至預期因收購產生之協同效應而得益之各個相關現金產成單位或現金產成單位組別。各個獲分配商譽之現金產成單位會每年及於出現可能減值之跡象時進行減值測試。就於某個財政年度因收購而產生之商譽，獲分配商譽之現金產成單位於該財政年度完結前進行減值測試。當現金產成單位之可收回金額少於該單位之賬面值，則減值虧損會先分配以扣減獲分配至該單位任何商譽之賬面值，其後按單位內各項資產之賬面值之比例扣減該單位之其他資產。商譽之任何減值虧損乃直接於損益確認。商譽之減值虧損不會於往後期間撥回。

當相關現金產生單位於其後出售，已撥充資本商譽之應佔金額將於釐定出售溢利或虧損金額時計算在內。

(d) 於附屬公司之投資

附屬公司之投資乃以成本減去任何已識別之減值虧損於本公司財務狀況表列賬。

(e) 無形資產

獨立收購之無形資產

獨立收購而可使用年期有限之無形資產以成本減累計攤銷及任何累計減值虧損入賬。可使用年期有限之無形資產乃於估計可使用年期間以直線法計提攤銷。另外，具無限可使用年期之無形資產以成本減任何其後累計減值虧損入賬（見下文有關有形及無形資產減值虧損之會計政策）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Intangible assets (continued)

Intangible assets acquired separately (continued)

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss in the period when the asset is derecognised.

Patents and trademarks

Cost incurred on the acquisition of patents and trademarks are capitalised in the consolidated statement of financial position and are amortised by equal annual instalments over the estimated useful life of five years. Patents and trademarks are not revalued as there is no active market for these assets.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where 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. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

Mining rights

Mining rights are stated at cost less accumulated amortisation and any impairment losses and are amortised on the units of production method utilising only proven and probable coal reserves in the depletion base.

(f) Exploration and evaluation expenditure

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

3. 主要會計政策(續)

(e) 無形資產(續)

獨立收購之無形資產(續)

因終止確認無形資產而產生之收益或虧損，以出售所得款項淨額與資產賬面值之間之差額計量，並在終止確認該資產之期間於損益確認。

專利權及商標

收購專利權及商標產生之成本於綜合財務狀況報表內撥充資本，並按五年之估計可使用年期每年以相等款額分期攤銷。由於專利權及商標並無活躍市場，故並無重估該等資產。

於業務合併中收購之無形資產

倘於業務合併中收購之無形資產符合無形資產之定義，且其公平值能可靠計量，則會與商譽分開識別及確認。該等無形資產之成本為於收購日之公平值。

可使用年期有限之無形資產於初步確認後，以成本減累計攤銷及任何累計減值虧損入賬。可使用年期有限之無形資產乃於估計可使用年期間以直線法計提攤銷。另外，具無限可使用年期之無形資產以成本減任何其後累計減值虧損入賬（見下文有關有形及無形資產減值虧損之會計政策）。

採礦權

採礦權按成本減累計攤銷及任何減值虧損列賬，並根據已探明可採及可能煤炭儲量按生產單位法以剝離基準攤銷。

(f) 勘探及評估開支

勘探及評估活動涉及尋找礦物資源、決定技術之可行性及評估已識別資源之商業存在能力。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Exploration and evaluation expenditure (continued)

Exploration and evaluation expenditure comprises costs which are directly attributable to:

- research and analysing historical exploration data;
- gathering exploration data through topographical, geographical and geophysical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements; and
- conducting market and finance studies

Expenditure during the initial exploration stage of a project is charged to profit or loss as incurred. Exploration and evaluation costs, including the costs of acquiring licenses, are capitalised as exploration and evaluation assets on a project-by-project basis pending determination of the technical feasibility and commercial viability of the project.

When it can be reasonably ascertained that a mining property is capable of commercial production, exploration and evaluation costs are transferred to mining rights and are amortised based on the accounting policy as stated in "Mining rights" above. If any project is abandoned during the evaluation stage, the total expenditure thereon will be written off.

(g) Property, plant and equipment

Property, plant and equipment including land and building held for use in the production or supply of goods or services, or for administrative purposes are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

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

3. 主要會計政策(續)

(f) 勘探及評估開支(續)

勘探及評估開支包括以下各項直接應佔之成本：

- 研究及分析過往勘探數據；
- 透過地形學、地理學及地球物理學研究收集勘探數據；
- 探測鑽探、鑽挖及樣本；
- 確定及檢定資源量及品級；
- 測試運輸及基建設備所需；及
- 進行市場及融資研究

於項目之初期勘探階段產生之開支於產生時在損益扣除。勘探及評估成本(包括購入特許權之成本)待確定項目之技術可行性及商業存在能力後，按個別項目基準撥充資本，列作勘探及評估資產。

當能合理確定探礦資產可投入商業生產，勘探及評估成本會轉撥至探礦權並按上文「探礦權」所述會計政策作出攤銷。倘任何項目於評估階段終止，所屬開支總額將會撇銷。

(g) 物業、廠房及設備

物業、廠房及設備包括持作生產或供應產品或提供服務所用或作行政用途之土地及樓宇，乃按成本減其後累計折舊及累計減值虧損列賬。

物業、廠房及設備項目之折舊按其估計可使用年期並計及其估計剩餘價值以直線法計提，以撇銷其成本或公平值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Property, plant and equipment (continued)

Construction in progress includes property, plant and equipment in the course of construction for production or for its 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.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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 item) is included in the profit or loss in the year in which the item is derecognised.

(h) Financial instruments

Financial assets and financial liabilities are recognised on the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instruments. 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.

Financial assets

The Group's financial assets are classified as loans and receivables. 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. 主要會計政策(續)

(g) 物業、廠房及設備(續)

在建工程包括就生產或自用目的而在建中之物業、廠房及設備。在建工程按成本減任何已確認減值虧損列賬。在建工程於完成及可作擬定用途時於物業、廠房及設備之適當類別分類。當資產可作擬定用途時，該等資產開始折舊(按與其他物業資產之相同基準)。

物業、廠房及設備項目於出售時或於預計不會從持續使用該項資產中獲得未來經濟利益時終止確認。任何因終止確認資產而產生之收益或虧損(按出售所得款項淨額與該項目之賬面值兩者之差額計算)，於終止確認該項目之年度計入損益。

(h) 金融工具

金融資產及金融負債乃於某集團實體成為工具合同條文之訂約方時在綜合財務狀況報表確認。金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債直接應佔之交易成本(按公平值列賬並在損益內處理之金融資產及金融負債除外)乃於初步確認時加入金融資產或金融負債之公平值或自金融資產或金融負債之公平值扣除(如適用)。

金融資產

本集團之金融資產分為貸款及應收款項。所有定期購買或出售金融資產乃按交易日基準確認及終止確認。定期購買或出售乃購買或銷售金融資產，並要求於市場規則或慣例設定之時間框架內交付資產。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) 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 on 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.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of each reporting period subsequent to initial recognition, loans and receivables (including trade and others receivables and bank balances and cash) 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).

Impairment loss on financial assets

Financial assets are assessed for indicators of impairment at the end of 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 affected.

For all the Group's financial assets, 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. 主要會計政策(續)

(h) 金融工具(續)

金融資產(續)

實際利息法

實際利息法乃計量金融資產之攤銷成本及分配相關期間利息收入之方法。實際利率乃於初步確認時按金融資產之預計年期或適用之較短期間，準確貼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利率差價費用、交易成本及其他溢價或折讓)之利率。

債務工具之利息收入乃按實際利息基準確認。

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備固定或可釐定款項之非衍生金融資產。於初步確認後各報告期間結束時，貸款及應收款項(包括應收貨款及其他應收款項、銀行結存及現金)均按採用實際利息法計算之已攤銷成本減任何已識別減值虧損入賬(見下文有關金融資產減值虧損之會計政策)。

金融資產之減值虧損

金融資產於各報告期間結算日評定有否減值跡象。倘有客觀證據顯示，金融資產之估計未來現金流量因一項或多項於初步確認金融資產後發生之事件而受到影響，則金融資產出現減值。

就本集團所有金融資產而言，客觀之減值證據包括：

- 發行人或交易對手出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

Financial assets (continued)

Impairment loss on financial assets (continued)

For certain categories of financial asset, such as trade and other receivables, assets 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 the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period, 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 financial asset's 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 and other 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 a trade and other 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.

3. 主要會計政策(續)

(h) 金融工具(續)

金融資產(續)

金融資產之減值虧損(續)

應收貨款及其他應收款項等被評估為非個別減值之若干金融資產類別，其後按整體基準進行減值評估。應收款項組合之客觀減值證據可包括本集團之過往收款經驗、組合內延遲還款至超逾信貸期之增加次數，以及與應收款項逾期有關之全國或地方經濟狀況明顯改變。

就按已攤銷成本列賬之金融資產而言，倘有客觀跡象顯示資產出現減值，則會於損益確認減值虧損，並按資產賬面值與估計未來現金流量按金融資產之初始實際利率貼現之現值之差額計量。

除應收貨款及其他應收款項外，所有金融資產之減值虧損會直接於金融資產之賬面值中扣減，而金融資產之賬面值會透過撥備賬作出扣減。撥備賬之賬面值變動於損益內確認。倘應收貨款及其他應收款項被視為無法收回，則於撥備賬撇銷。其後收回過往撇銷之款項計入損益內。

就按已攤銷成本計量之金融資產而言，倘減值虧損金額於往後期間有所減少，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撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時之已攤銷成本。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

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 classified as other financial liabilities.

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 through the expected life of the financial liability, or where appropriate, a shorter period.

Interest expenses is recognised on an effective interest basis.

Other financial liabilities

Other financial liabilities including trade and other payables, amounts due to related companies and amount due to a minority shareholder are subsequently measured at amortised cost, using the effective interest rate method.

Convertible loan notes

Convertible loan notes issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition. Conversion option that will be settled 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 classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible loan notes and the fair value assigned to the liability component, representing the conversion option for the holder to convert the loan notes into equity, is included in equity (convertible loan notes reserve).

3. 主要會計政策(續)

(h) 金融工具(續)

金融負債及股權

集團實體發行之金融負債及股權工具乃根據所訂立之合約安排性質以及金融負債及股權工具之定義分類。

股權工具為證明於集團經扣除其所有負債後之資產中所剩餘權益之任何合約。本集團之金融負債一般分類為其他金融負債。

實際利息法

實際利息法乃計算金融負債攤銷成本及分配相關期間利息開支之方法。實際利率乃按金融負債之預計年期或適用之較短期間，準確貼現估計未來現金付款之利率。

利息開支乃按實際利息基準確認。

其他金融負債

其他金融負債包括應付貨款及其他應付款項、應付關連公司款項及應付一名少數股東款項，其後採用實際利率法按已攤銷成本計量。

可換股借貸票據

本集團發行之可換股借貸票據包括負債及轉換權部分，乃於初步確認時各自分類為各相關項目。將以固定金額現金或另一項金融資產交換本公司固定數目之股權工具方式結清之轉換權乃分類為股權工具。

於初步確認時，負債部分之公平值按類似不可轉換債務之現行市場利率釐定。發行可換股借貸票據之所得款項總額與撥往負債部分之公平值差額(代表讓持有人將借貸票據轉換為股權之轉換權)應列入股權(可換股借貸票據儲備)內。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

Financial liabilities and equity (continued)

Convertible loan notes (continued)

In subsequent periods, the liability component of the convertible loan notes is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible loan notes reserve until the embedded option is exercised (in which case the balance stated in convertible loan notes reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible loan notes reserve will be released to accumulated losses. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transactions costs relating to the equity component are charged directly to equity. 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 loan notes using the effective interest method.

Equity instruments

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

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 receivable 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. 主要會計政策(續)

(h) 金融工具(續)

金融負債及股權(續)

可換股借貸票據(續)

於往後期間，可換股借貸票據之負債部分以實際利息法按已攤銷成本列賬。股權部分(代表可將負債部分轉換為本公司普通股之選擇權)將保留於可換股借貸票據儲備，直至嵌入式轉換權獲行使為止(在此情況下，可換股借貸票據儲備之結餘將撥至股份溢價)。倘轉換權於到期日尚未獲行使，可換股借貸票據儲備之結餘將撥往累計虧損。轉換權獲轉換或到期時將不會於損益中確認任何盈虧。

發行可換股借貸票據之交易成本，按所得款項總額之分配比例撥往負債及股權部分。股權部分之交易成本會直接於股權中扣除。負債部分之交易成本計入負債部分之賬面值中，並以實際利息法於可換股借貸票據期限內攤銷。

股權工具

本公司發行之股權工具按已收所得款項(扣除直接發行成本)入賬。

終止確認

當從資產收取現金流量之權利屆滿，或金融資產被轉讓而本集團已轉讓金融資產擁有權之絕大部分風險及回報時，則會終止確認該等金融資產。於終止確認金融資產時，該項資產賬面值與已收及應收代價及於其他全面收入直接確認之累計盈虧兩者之差額會於損益確認。

當有關合約訂明之責任獲解除、註銷或屆滿時，則會終止確認金融負債。被終止確認之金融負債賬面值與已付及應付代價兩者之差額於損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect is material).

Provision for close down, restoration and environmental costs

One consequence of coal mining is land subsidence caused by the resettlement of the land at the mining sites. Depending on the circumstances, the Group may relocate inhabitants from the mining sites prior to conducting mining activities or the Group may compensate the inhabitants for losses or damage from close down and land subsidence after the sites have been mined. The Group may also be required to make payments for restoration, rehabilitation or environmental protection of the land after the sites have been mined.

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation of disturbed areas. Close down and restoration costs are provided in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during mine development or during the production phase, based on the net present value of estimated future costs. Where there is a change in the expected decommissioning and restoration costs, an adjustment is recorded against the carrying value of the provision and related assets, and the effect is then recognised in the income statement on a prospective basis over the remaining life of the operation. Provision for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are reviewed and revised at the end of each reporting period to reflect changes in conditions.

3. 主要會計政策(續)

(i) 撥備

當本集團因過往事件須承擔現有責任，而本集團很可能須結清有關責任，則確認撥備。撥備於計及與責任有關之風險及不明朗因素後，按需於報告期間結束時結清現有責任之最佳估計代價計量。倘使用結清現有責任之估計現金流量來計量撥備，其賬面值為該等現金流量之現值(如影響屬重大者)。

關閉、復墾及環境成本撥備

煤礦開採之一個後果是因在礦場搬運泥土而造成土地下陷。視乎情況，本集團可於進行開採活動前先將居民遷離礦場，或於礦場開採後就關閉礦場和土地下陷所造成之損失或損害向居民作出賠償。另外，本集團亦可能須支付礦場開採後之土地復墾、修復或環保費用。

關閉及復墾成本包括拆除及清除基建設施、清除殘餘材料及修復受干擾區域之成本。關閉及復墾成本於有關干擾引起之責任產生會計期間，按估計未來成本之淨現值計提撥備，而不論該責任是否在煤礦開發期間或在生產階段產生。如預計拆除及復墾成本出現變動，撥備及相關資產賬面值將作出調整，屆時所產生影響將於剩餘經營期限內按預測基準於收益表確認。關閉及復墾成本之撥備不包括未來干擾事件預期會引起之任何額外責任。成本估計於各報告期間結束時審核及修正，以反映情況變化。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

(k) Impairment losses on tangible and intangible assets other than goodwill (see 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 and intangible assets not yet available for use 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 impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so 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 impairment loss is recognised as income immediately.

(l) 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 goods is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title has passed.

Revenue from provision of management services is recognised when the services are rendered.

3. 主要會計政策(續)

(j) 存貨

存貨乃按成本及可變現淨值之較低者列賬。成本按照加權平均法計算。

(k) 有形及無形資產(不包括商譽)之減值虧損(見上文有關商譽之會計政策)

本集團會於各報告期間結束時檢討其有形及無形資產之賬面值，以確定該等資產有否出現減值虧損之任何跡象。倘存在任何該等跡象，則估計資產之可收回款項，以釐定減值虧損(如有)之程度。此外，具無限可使用年期之無形資產及未供使用之無形資產會每年及於出現可能減值之跡象時進行減值測試。倘估計資產之可收回款額低於其賬面值，則該資產之賬面值將減至其可收回款額之水平，並會即時確認減值虧損為開支。

倘其後撥回減值虧損，則有關資產之賬面值將增至重新估計之可收回款額，惟增加後之賬面值不得超過假設該資產於過往年度並無確認減值虧損時釐定之賬面值。減值虧損撥回會即時確認為收入。

(l) 收益確認

收益按日常業務過程中就銷售貨品及提供服務已收或應收之代價，減去折扣及相關銷售稅項後之公平值計量。

銷售貨物之收益於擁有權之風險及回報轉移時確認，一般與貨物交付客戶及所有權轉移之時間相同。

提供管理服務之收益於提供有關服務時確認。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Revenue recognition (continued)

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.

(m) Equity settled share-based payment transactions

Share options granted to directors and employees of the Company

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 (share options reserve).

At the end of each 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 estimates during the vesting period, if any, is recognised in profit or loss, with a corresponding adjustment to share options reserve.

At the time when the share options are exercised, the amount previously recognised in share options 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 options reserve will be transferred to accumulated losses.

(n) 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 statement of comprehensive income items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策(續)

(l) 收益確認(續)

金融資產之利息收入乃按時間基準，參照未償還本金及適用之實際利率計算，而該利率為於初步確認時準確將金融資產之預計年期內之估計未來現金收入貼現至該資產之賬面淨值之貼現率。

(m) 以股權結算股份付款之交易

授予本公司董事及僱員之購股權

已收取服務之公平值參照於授出日期授出之購股權公平值釐定，並於歸屬期間以直線法支銷，股權亦會相應增加(購股權儲備)。

本集團會於各報告期間結算日修訂其對預期最終歸屬之購股權數目估計。對歸屬期內估算修訂(如有)之影響會在損益確認，購股權儲備亦會作出相應調整。

於行使購股權時，以往於購股權儲備確認之金額，將撥入股份溢價。當購股權於歸屬日期後失效或於屆滿日期時仍未獲行使，則先前於購股權儲備確認之金額將轉撥至累計虧損。

(n) 稅項

所得稅開支指現時應付稅項及遞延稅項總和。

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利不包括其他年度之應課稅或應扣減收入或開支項目，亦不包括毋須課稅或不作扣稅之全面收益表項目，故與綜合全面收益表所報溢利不同。本集團現行稅項責任乃按照截至報告期間結束時已頒佈或實際頒佈之稅率計算。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Taxation (continued)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base 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 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 each 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.

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.

3. 主要會計政策(續)

(n) 稅項(續)

遞延稅項乃按綜合財務報表中資產及負債之賬面值與計算應課稅溢利所用相應稅基之差額確認。遞延稅項負債一般就所有應課稅暫時差額確認，而遞延稅項資產則於可扣減暫時差額有可能對銷應課稅溢利時確認。如暫時差額由商譽或由初次確認一項不影響應課稅溢利或會計溢利之交易之其他資產及負債(業務合併除外)所產生，則不會確認有關資產及負債。

本集團會就於附屬公司之投資所產生之應課稅暫時差額確認遞延稅項負債，惟本集團能夠控制暫時差額之撥回及暫時差額不大可能於可見將來撥回則除外。因與有關投資及權益相關之可扣減暫時差額而產生遞延稅項資產僅在很大可能產生足夠應課稅溢利以動用暫時差額利益並預期可在可見將來撥回時確認。

遞延稅項資產之賬面值會於各報告期間結束時檢討，並相應扣減，直至並無足夠應課稅溢利可供收回全部或部分資產為止。

遞延稅項資產及負債乃按償付負債或變現資產期內預期適用之稅率(根據報告期間結束時已頒佈或實際頒佈之稅率(及稅法))計算。遞延稅項負債及資產之計算反映按照本集團所預期方式於報告期間結束時收回或清償其資產及負債賬面值之稅務後果。遞延稅項於損益確認，惟倘遞延稅項關乎直接於其他全面收入或直接於權益確認之項目，則遞延稅項亦於其他全面收入或直接於權益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) 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 its 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 re-translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated 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 retranslation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the re-translation of non-monetary items carried at fair value are included in profit or loss for the period.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) 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 accumulated in equity (the exchange translation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

(p) 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.

3. 主要會計政策(續)

(o) 外幣

於編製各個別集團實體之財務報表時，以其功能貨幣以外之貨幣(外幣)進行之交易乃按於交易日期之通行匯率換算之功能貨幣(即該實體經營所在主要經濟環境之貨幣)入賬。於報告期間結束時，以外幣定值之貨幣項目乃按當日之通行匯率重新換算。按公平值列賬並以外幣定值之非貨幣項目乃按其公平值釐定當日之通行匯率重新換算。按外幣歷史成本計量之非貨幣項目毋須重新換算。

於結算及重新換算貨幣項目時產生之匯兌差額，乃於產生之期間在損益確認。重新換算以公平值列賬之非貨幣項目所產生匯兌差額乃計入期內損益。

就呈列綜合財務報表而言，本集團海外業務之資產及負債乃按報告期間結束時之通行匯率換算為本集團之呈列貨幣(即港元)，而其收入及開支乃按該年度之平均匯率換算，惟倘匯率於該期間內出現大幅波動，則採用交易日期之通行匯率換算。所產生之匯兌差額(如有)乃確認為股權之累計其他全面收入(匯兌儲備)。該等匯兌差額乃於海外業務出售期間於損益確認。

(p) 租賃

當租賃條款將擁有權之絕大部分風險及回報撥歸承租人時，租賃乃分類為融資租賃。所有其他租賃均分類為經營租賃。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Leasing (continued)

The Group as lessee

Operating lease payments are recognised as an expenses on a straight-line basis over the term of the relevant lease.

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.

(q) Borrowing costs

All borrowing costs are recognised as and included in finance costs in the consolidated statement of comprehensive income in the period in which they are incurred.

(r) Retirement benefit costs

Payments to state-managed retirement benefits scheme and the defined contribution Mandatory Provident Fund Scheme are charged as an expense when the employees have rendered service entitling them to the contributions.

4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. 主要會計政策(續)

(p) 租賃(續)

本集團作為承租人

經營租賃付款乃按相關租賃年期以直線法確認為開支。

租賃土地及樓宇

土地及樓宇租賃之土地及樓宇部分就租賃分類而言獨立入賬，惟倘租賃款項未能可靠地在土地及樓宇項目之間分配，則整項租賃一概視為融資租賃並列作物業、廠房及設備。對於能可靠作出之租賃款項分配而言，土地租賃權益作為經營租賃入賬，並按租賃年期以直線法攤銷。

(q) 借貸成本

所有借貸成本均予確認，並於其產生期間記入綜合全面收益表作為融資成本。

(r) 退休福利成本

向國家管理之退休福利計劃及定額供款強制性公積金計劃支付之款項於僱員提供服務而使其享有供款時以支出扣除。

4. 關鍵會計判斷及估計不明朗因素之主要來源

於應用附註3所述本集團之會計政策時，本公司董事須對不能從其他資料來源得知之資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及其他被認為有關之因素作出。實際結果可能有別於此等估計。

該等估計及相關假設會持續檢討。如修訂會計估計只影響修訂期間，則該等估計在該期間確認，如有關修訂影響現時及未來期間，則在修訂期間及未來期間確認。

4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Allowance for doubtful debts

The Group performs ongoing credit evaluations of its customers and adjust credit limits based on payment history and the customer's current credit-worthiness, as determined by the review of their current credit information. The Group continuously monitors collections and payments from its customers and maintains a provision for estimated credit losses based upon its historical experience and any specific customer collection issues that it has been identified. In addition, the Group will provide general provision based on the aging analysis of the trade debtors. Credit losses have historically been within the Group's expectations and the Group will continue to monitor the collections from customers and maintain an appropriate level of estimated credit losses.

Write down of inventories

The management of the Group reviews an aging analysis of inventories at the end of each reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production or sales. The management estimates the net realisable value for such raw materials and finished goods based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at the end of each reporting period and makes allowance for obsolete items. During the year ended 31 March 2010, the Group recognised an impairment loss of approximately HK\$16,800,000 (2009: HK\$264,000) in respect of raw materials and finished goods to write-down the inventories to its net realisable value.

4. 關鍵會計判斷及估計不明朗因素之主要來源(續)

估計不明朗因素之主要來源

以下為有關未來之主要假設及於報告期間結束時估計不明朗因素之其他主要來源，可能導致對下一財政年度資產及負債賬面值須作出重大調整。

呆賬撥備

本集團對其客戶進行持續信貸評估，並根據客戶之過往付款記錄及經審閱客戶目前信貸資料而釐定之現行信譽調整信貸額。本集團持續監察其客戶之收款及付款情況，並根據其過往經驗及任何已識別特定客戶收款事宜，就估計信貸虧損作出撥備。此外，本集團將按照應收賬項之賬齡分析作出一般撥備。信貸虧損過往一直在本集團預期之中，而本集團將會繼續監控向客戶收款之情況及保持適當之估計信貸虧損水平。

存貨撇減

本集團管理層於各報告期間結束時檢討存貨賬齡分析，並就確定為不再適合用作生產或銷售之過時或滯銷存貨項目同時作出撥備。管理層主要根據最近期發票價格及當時之市況估計該等原料及製成品之可變現淨值。本集團於各報告期間結束時對每種產品進行盤點，並為過時項目作出撥備。於截至二零一零年三月三十一日止年度，本集團已就原料及製成品確認減值虧損約16,800,000港元(二零零九年：264,000港元)，以撇減存貨至其可收回淨值。

4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Carrying value of non-current assets and impairment of assets

Non-current assets, including property, plant and equipment and intangible assets, are carried at cost less accumulated depreciation and amortisation and impairment losses, where appropriate. These carrying amounts are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. In estimating the recoverable amounts of assets, various assumptions, including future cash flows to be associated with the non-current assets and discount rates, are made. If future events do not correspond to such assumptions, the recoverable amounts will need to be revised, and this may have an impact on the Group's results of operations or financial position.

Impairment of goodwill

Determining whether goodwill is impaired required 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. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 March 2010, the carrying amount of goodwill was approximately HK\$15,065,000, net of accumulated impairment loss of HK\$5,400,000 (2009: Nil). Details of impairment test on goodwill are set out in note 18.

Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charges where useful lives are less than previously estimated lives, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

4. 關鍵會計判斷及估計不明朗因素之主要來源(續)

估計不明朗因素之主要來源(續)

非流動資產賬面值及資產減值

非流動資產(包括物業、廠房及設備)以及無形資產按成本減累計折舊與攤銷及減值虧損(如適用)列賬。當發生任何事件或環境出現變化,顯示賬面值可能無法收回時,則會檢討該等項目之賬面值是否發生減值。若資產賬面值超過其可收回金額時,會就其差額確認減值損失。可收回金額乃資產公平值減銷售成本或使用價值之較高者。在估計資產之可收回金額時作出多項假設,包括與非流動資產有關之未來現金流量及貼現率。倘未來事項與該等假設不符,可收回金額將需要作出修訂,此等修訂可能影響本集團之經營業績或財務狀況。

商譽減值

釐定商譽是否出現減值須就商譽所分配至現金產生單位之使用價值作出估計。計算使用價值時,本集團須估計預期來自現金產生單位之未來現金流量及計算現值之適用貼現率。倘實際未來現金流量少於預期,則可能會產生重大減值虧損。於二零一零年三月三十一日,商譽之賬面值扣除累計減值虧損5,400,000港元後約為15,065,000港元(二零零九年:無)。商譽減值測試之詳情載於附註18。

物業、廠房及設備之可使用年限

本集團管理層釐定其物業、廠房及設備估計可使用年限及有關折舊費用。該估計乃以相似性質及功能之物業、廠房及設備之實際可使用年限過往經驗為基準,並可能因科技創新及競爭對手對嚴峻行業周期的反應而大幅改變。倘可使用年限較先前所估計年限為短,則管理層將增加折舊費用,或撇銷或撇減已棄置或出售之技術過時或非策略性資產。

4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Reserve estimates

Reserves are estimates of the amount of products that can be economically and legally extracted from the Group's coal reserves. In order to calculate reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand and commodity prices. Estimating the quantity and/or grade of reserves requires the size, shape and depth of ore bodies or fields to be determined by analysing geological data such as drilling samples. This process may require complex and difficult geological judgments and calculations to interpret the data.

Because the economic assumptions used to estimate reserves change from period to period, and because additional geological data is generated during the course of operations, estimates of reserves may change from period to period. Changes in reported reserves may affect the Group's financial results and financial position in a number of ways, including the following:

- (i) Asset carrying values may be affected due to changes in estimated future cash flows.
- (ii) Depreciation, depletion and amortisation charged in the statement of comprehensive income may change where such charges are determined by the units of production basis, or where the useful economic lives of assets change.
- (iii) Decommissioning, site restoration and environmental provisions may change where changes in estimated reserves affect expectations about the timing or cost of these activities.
- (iv) The carrying value of deferred tax may change as a result of changes in the asset carrying values as discussed above.

4. 關鍵會計判斷及估計不明朗因素之主要來源(續)

估計不明朗因素之主要來源(續)

儲量估計

儲量乃可按經濟原則合法自本集團之煤礦儲量取得之估計產品數量。為計算儲量，須就地質、技術及經濟因素範疇作出估計及假設，其中包括數量、品位、生產技術、採收率、生產成本、運輸成本、商品需求及商品價格。估計儲量之數量及／或品位時，須按鑽探採樣等地質數據分析，釐定礦體或礦場之規模、形狀及深度。此工序或涉及繁複艱鉅之地質判斷及計算以分析有關數據。

由於估計儲量所用經濟假設會隨著不同的期間而改變，而營運過程中會額外產生地質數據，故儲量估算或會隨不同期間而有所變動。呈報儲量的變動可循不同方法影響本集團的財務業績及財務狀況，其中包括下列各項：

- (i) 因估計未來現金流量的變動可影響資產賬面值。
- (ii) 倘折舊、耗減及攤銷支出按生產基地單位予以釐定，或資產的可使用經濟年限有所變動，於全面收益表內扣除的折舊、耗減及攤銷可能有所變動。
- (iii) 倘估計儲量的變動影響拆撤、礦場復墾及環保工作預期的時間表或成本，拆撤、礦場復墾及環保撥備或有改變。
- (iv) 遞延稅項之賬面值或因上文所討論的資產賬面值變動而有所改變。

4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Income tax

There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. In addition, the realisation of the future income tax assets is dependent on the Group's ability to generate sufficient taxable income in future years to utilise income tax benefits and income tax loss carried forward. Deviations of future profitability from estimates or in the income tax rate would result in adjustments to the value of future deferred tax assets and liabilities that could have a significant effect on earnings.

Provision for close down, restoration and environmental costs

The provision for close down, restoration and environmental costs is determined by management based on their past experience and best estimation of future expenditures, after taking into account existing relevant PRC regulations. However, in so far as the effect on the land and the environment from current mining activities becomes apparent in future years, the estimate of the associated costs may be subject to revision from time to time. Details of the Group's provision for close down, restoration and environmental costs are set out in Note 30.

5. 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 debt, which includes convertible loan notes disclosed in note 27, cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

4. 關鍵會計判斷及估計不明朗因素之主要來源(續)

估計不明朗因素之主要來源(續)

所得稅

在日常業務過程中，若干交易及計算的最終稅務結果並不確定。本集團根據是否到期繳納額外稅項的估計，確認有關預期稅務事宜的債務。倘該等事宜的最終稅務結果與初步入賬之金額不同，該等差額將影響作出有關釐定撥備期間內的所得稅及遞延稅項撥備。此外，未來所得稅資產的變現，視乎本集團於未來年度是否產生足夠的應課稅收入，以動用所得稅利益及結轉所得稅虧損的能力而定。倘未來盈利能力或所得稅稅率偏離估計，則須對未來遞延稅項資產及負債的價值作出調整，因而可能對盈利構成重大影響。

關閉、復墾及環境成本撥備

關閉、復墾及環境成本撥備由管理層考慮現有相關中國規例後，根據過往經驗及對未來支出的最佳估計而釐定。然而，在目前的採礦活動於未來數年對土地及環境的影響變得明顯的情況下，有關成本的估計可能須不時修訂。本集團就關閉、復墾及環境成本撥備之詳情載於附註30。

5. 資本風險管理

本集團之資本管理旨在透過在債務與權益間作出最佳平衡，確保本集團之實體可持續經營之餘，亦為股東締造最大回報。

本集團之資本架構包括債務(包括於附註27披露之可換股借貸票據)、現金及現金等值項目以及本公司擁有人應佔權益(包括已發行股本及儲備)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

5. CAPITAL RISK MANAGEMENT (continued)

The directors of the Company review the capital structure regularly. As part of this review, the directors of the Company consider the cost of capital and the associated risks, and take appropriate actions to adjust the Group's capital structure. The overall strategy of the Group remained unchanged during the two years ended 31 March 2010.

6. FINANCIAL INSTRUMENTS

6a. 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
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)	301,935	382,108
Financial liabilities at amortised cost 按已攤銷成本計量之金融負債	248,678	172,509

6b. Financial risk management objectives and policies

The Group's major financial instruments include security deposit, trade and other receivables, bank balances and cash, trade and other payables, amounts due to related companies, amount due to a minority shareholder and convertible loan notes. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

Several subsidiaries of the Company have foreign currency sales and purchases, which expose the Group to foreign currency risk. The Group does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Certain trade receivables, bank balances and cash and trade payables of the Group are denominated in currencies other than the functional currency of the group entity to which they relate.

5. 資本風險管理(續)

本公司董事定期檢討資本架構。作為檢討一部分，本公司董事考慮資本成本及相關風險，並採取適當行動調整本集團之資本架構。截至二零一零年三月三十一日止兩個年度，本集團之整體策略維持不變。

6. 金融工具

6a. 金融工具類別

	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
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)	301,935	382,108
Financial liabilities at amortised cost 按已攤銷成本計量之金融負債	248,678	172,509

6b. 財務風險管理目標及政策

本集團之主要金融工具包括保證按金、應收貨款及其他應收款項、銀行結存及現金、應付貨款及其他應付款項、應付關連公司款項、應付一名少數股東款項及可換股借貸票據。該等金融工具詳情於各相關附註披露。下文載列與該等金融工具相關之風險及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措施。

貨幣風險

本公司若干附屬公司以外幣進行買賣，令本集團承受外幣風險。本集團並無任何外幣對沖政策。然而，管理層監察外匯風險，並於有需要時考慮對沖重大外幣風險。

本集團若干應收貨款、銀行結存及現金及應付貨款均以本集團實體之相關功能貨幣以外之貨幣計值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (Continued)

Currency risk (Continued)

The following table shows the Group's exposure at the end of reporting date to currency risk arising from transactions or recognised assets or liabilities denominated in a currency other than the function currency of the entity to which they relate.

		As at 31 March 2010 於二零一零年 三月三十一日		As at 31 March 2009 於二零零九年 三月三十一日	
		Euro ("EUR") 歐元 '000 千元	United States Dollars ("USD") 美元 '000 千元	EUR 歐元 '000 千元	USD 美元 '000 千元
Assets	資產	2	43	4	34
Liabilities	負債	29	18	29	144

Sensitivity analysis

The Group is mainly exposed to the currencies of EUR and USD.

The following table details the Group's sensitivity to a 5% (2009: 5%) increase and decrease in HK\$ against the relevant foreign currencies and other variables were held constant. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% (2009: 5%) change in foreign currency rates. A positive number below indicates an increase in loss where HK\$ strengthen 5% (2009: 5%) against the relevant currency. For a 5% weakening of HK\$ against the relevant currency, there would be an equal and opposite impact on the loss, and the balances below would be negative.

		EUR 歐元		USD 美元	
		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
Profit or loss	溢利或虧損	(14)	(13)	(10)	(43)

6. 金融工具(續)

6b. 財務風險管理目標及政策(續)

貨幣風險(續)

下表顯示本集團於報告期間結束時因交易或已確認以相關實體功能貨幣以外貨幣定值之資產或負債所產生之貨幣風險。

敏感度分析

本集團主要承受歐元及美元之貨幣風險。

下表詳列本集團對港元兌相關外幣之匯率升跌5%(二零零九年:5%)之敏感度,當中其他變數維持不變。敏感度分析僅包括以外幣定值之未償還貨幣項目,並就外幣匯率之5%(二零零九年:5%)變動調整於年終之換算。下表之正數數字顯示當港元兌相關貨幣升值5%(二零零九年:5%)時虧損增加。倘港元兌相關貨幣貶值5%,則對虧損構成金額相等但效果相反之影響,而下文之結餘則為負數。

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (Continued)

Interest rate risk

The Group was exposed to cash flow interest rate risk relates to bank balances and security deposit carried at prevailing market rate. The Group has not used any derivative contracts to hedge its exposure to interest rate risk. The Group has not formulated a policy to manage the interest rate risk.

Sensitivity analysis

The sensitivity analyses below had been determined based on the exposure to interest rates for non-derivative instruments at the end of reporting period. For variable-rate bank borrowings, the analysis was prepared assuming the amount of liability outstanding at the end of reporting period was outstanding for the whole year.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 31 March 2010 would decrease/increase by approximately HK\$1,434,000 (2009: HK\$1,895,000). This was mainly attributable to the Group's exposure to interest rates on its variable-rate bank balances.

Liquidity risk

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.

The following table details the Group's remaining contractual maturity for its financial liabilities based on the agreed repayment terms. For non-derivatives financial liabilities, the table has 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 table includes both interest and principal cash flows.

6. 金融工具(續)

6b. 財務風險管理目標及政策(續)

利率風險

本集團須承受有關以當前市場利率計息之銀行結存及保證按金之現金流量利率風險。本集團並無運用任何衍生合約對沖其利率風險。本集團並無制定政策管理其利率風險。

敏感度分析

下文之敏感度分析乃根據非衍生工具於報告期間結束時之利率風險釐定。編製浮動利率銀行借貸之分析時會假設於報告期間結束時之未償還負債金額於整個年度均未償還。

倘利率上調／下滑50個基點，而所有其他變數維持不變，則本集團截至二零一零年三月三十一日止年度之虧損將會減少／增加約1,434,000港元(二零零九年：1,895,000港元)，主要原因為本集團承擔其浮動利率銀行結存之利率風險。

流動資金風險

就管理流動資金風險而言，本集團監察及維持現金及現金等值項目於管理層認為足夠之水平，為本集團業務提供資金，並減低現金流量波動之影響。

下表載有本集團按協定還款期之金融負債剩餘合約到期詳情。就非衍生工具金融負債而言，有關列表乃根據於本集團可能被要求付款之最早日期之金融負債未貼現現金流量編製。列表載有利息及主要現金流量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity and interest risk tables

6. 金融工具(續)

6b. 財務風險管理目標及政策(續)

流動資金風險(續)

流動資金及利息風險列表

		Within 1 year or on demand	More than 1 year but less than 2 years	Total undiscounted cash flows	Carrying amount at 31 March 於 三月三十一日 之賬面值
		一年內或 應要求 HK\$'000 千港元	超過一年 但少於兩年 HK\$'000 千港元	未貼現現金 流量總額 HK\$'000 千港元	HK\$'000 千港元
2010	二零一零年				
Non-derivative financial liabilities	非衍生金融負債				
Trade and other payables	應付貨款及其他應付款項	39,600	-	39,600	39,600
Amounts due to related companies	應付關連公司款項	168	-	168	168
Amount due to a minority shareholder	應付一名少數股東款項	28,717	-	28,717	28,500
Convertible loan notes	可換股借貸票據	200,000	-	200,000	180,410
		268,485	-	268,485	248,678
2009	二零零九年				
Non-derivative financial liabilities	非衍生金融負債				
Trade and other payables	應付貨款及其他應付款項	7,414	-	7,414	7,414
Amounts due to related companies	應付關連公司款項	3,224	-	3,224	3,224
Convertible loan notes	可換股借貸票據	-	200,000	200,000	161,871
		10,638	200,000	210,638	172,509

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 counterparties was the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

信貸風險

於二零一零年三月三十一日，因對手方未能履行責任而導致本集團蒙受財務虧損之本集團最高信貸風險乃因綜合財務狀況報表所列各項已確認金融資產之賬面值而產生。

6. FINANCIAL INSTRUMENTS (continued)

6b. Financial risk management objectives and policies (Continued)

Credit risk (Continued)

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 the end of each 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.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group's concentration of credit risk by geographical locations is mainly in the PRC which accounted for approximately 99% (2009: 14%) of the total trade and other receivables as at 31 March 2010.

6c. Fair value

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

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and
- the fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions and dealer quotes for similar instruments.

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

6. 金融工具(續)

6b. 財務風險管理目標及政策(續)

信貸風險(續)

為將信貸風險減至最低，本集團管理層已指派一支團隊，負責釐定信貸額、審批信貸及執行其他監察程序，確保採取跟進行動收回逾期債務。此外，本集團審閱每筆貿易債務於各報告期間結束時之可收回金額，確保就不能收回之金額作出充份之減值虧損。就此，本公司董事認為本集團之信貸風險已大幅減低。

由於對手方為獲國際評級機構給予高信貸評級之銀行，故有關流動資金之信貸風險有限。

於二零一零年三月三十一日，本集團以地區劃分之信貸風險主要集中於中國，佔應收貨款及其他應收款項總額約99% (二零零九年：14%)。

6c. 公平值

金融資產及金融負債之公平值釐定如下：

- 受標準條款及條件規管及於活躍流動市場交易之金融資產及金融負債之公平值乃分別參考市場報價及買賣價釐定；及
- 其他金融資產及金融負債之公平值按公認定價模型，以可知當前市場交易價格及類似工具之成交價作為輸入值進行貼現現金流量分析釐定。

本公司董事認為，鑑於綜合財務報表按已攤銷成本入賬之金融資產及金融負債於短期內到期，其賬面值與其公平值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

7. TURNOVER

Turnover represents the net amounts received and receivable for goods sold by the Group to outside customers, less returns and discounts allowed and provision of management services. An analysis of the Group's turnover for the year, for both continuing and discontinued operations 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
Continuing operations	持續經營業務		
Sales and distribution of coal	銷售及分銷煤炭	86,514	—
Sales of clocks and other office related products	銷售時鐘及其他辦公室相關產品	4,576	19,105
Management fee income	管理費收入	5,000	4,000
		96,090	23,105

8. SEGMENT INFORMATION

The Group has adopted HKFRS 8 *Operating Segments* with effect from 1 April 2009. HKFRS 8 is a disclosure standard that 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 for the purpose of allocating resources to segments and assessing their performance. The application of HKFRS 8 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. Nor has the adoption of HKFRS 8 changed the basis of measurement of segment profit or loss. The chief operating decision makers of the Group have been identified as the executive directors of the Company (the "Executive Directors").

The Group determines its operating segments based on the internal reports reviewed by the Executive Directors that are used to make strategic decisions.

7. 營業額

營業額指本集團銷售貨品予對外客戶減去退貨及折扣撥備後以及提供管理服務之已收及應收淨額。年內本集團於持續及終止經營業務方面之營業額分析如下：

8. 分類資料

自二零零九年四月一日起，本集團採納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，規定按主要經營決策者定期審閱以向分類分配資源及評估其表現之本集團組成部分之內部報告為基準識別經營分類。與根據香港會計準則第14號確定之主要可報告分類相比，應用香港財務報告準則第8號並無導致須重新劃分本集團之可報告分類。採納香港財務報告準則第8號亦無改變分類溢利或虧損之計量基準。本集團之主要經營決策者已識別為本公司之執行董事(「執行董事」)。

本集團根據執行董事就作出策略決定所審閱內部報告決定其經營分類。

8. SEGMENT INFORMATION (continued)

The Group currently organises its operations into three reportable operating segments, namely marketing of clocks and other office related accessories, provision of management services, and the coal mine business. The principal activities of the reportable segments are as follows:

- (a) the clocks and other office related products segment engages in the marketing of clocks and other office related accessories;
- (b) the provision of management services related to oil trading; and
- (c) the coal mine business segment engages in mining, sales and distribution of coal.

During the year ended 31 March 2009, the Company ceased the operation of trading of metals. Accordingly, the business segment of trading of metals was classified as discontinued operation during the year ended 31 March 2009.

8. 分類資料(續)

本集團現時將其業務分為三個可報告經營分類，分別為時鐘及其他辦公室相關配件之營銷、提供管理服務以及煤礦業務。可報告分類之主要業務如下：

- (a) 時鐘及其他辦公室相關產品分類從事時鐘及其他辦公室相關配件之營銷；
- (b) 提供有關石油貿易之管理服務；及
- (c) 煤礦業務分類從事煤炭開採、銷售及分銷。

截至二零零九年三月三十一日止年度，本公司終止經營金屬貿易業務。因此，金屬貿易業務分類已於截至二零零九年三月三十一日止年度分類為終止經營業務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

8. SEGMENT INFORMATION (continued)

(a) Segment revenue and results

The following tables present turnover, results and certain asset, liability and expenditure information for the Group's business segments.

For the year ended 31 March 2010

8. 分類資料(續)

(a) 分類收益及業績

下表呈列本集團業務分類之營業額、業績及若干資產、負債及開支資料。

截至二零一零年三月三十一日止年度

		Continuing operations 持續經營業務			
		Clocks and other office related products 時鐘及其他辦公室相關產品 HK\$'000 千港元	Provision of management services 提供管理服務 HK\$'000 千港元	Coal mine business 煤礦業務 HK\$'000 千港元	Total 總額 HK\$'000 千港元
SEGMENT TURNOVER:	分類營業額：				
Sales to external customers	銷售予對外客戶	4,576	5,000	86,514	96,090
SEGMENT RESULTS	分類業績	(2,844)	4,195	(9,592)	(8,241)
Interest income	利息收入				120
Net unallocated expenses	未能攤分之支出淨額				(4,930)
Finance costs	融資成本				(18,756)
Loss before tax (from continuing operations)	來自持續經營業務之除稅前虧損				(31,807)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

8. SEGMENT INFORMATION (continued)

(a) Segment revenue and results (continued)

For the year ended 31 March 2009

8. 分類資料(續)

(a) 分類收益及業績(續)

截至二零零九年三月三十一日止年度

		Continuing operations 持續經營業務			
		Clocks and other office related products 時鐘及 其他辦公室 相關產品 HK\$'000 千港元	Provision of management services 提供 管理服務 HK\$'000 千港元	Coal mine business 煤礦業務 HK\$'000 千港元	Total 總額 HK\$'000 千港元
SEGMENT TURNOVER:	分類營業額：				
Sales to external customers	銷售予對外客戶	19,105	4,000	-	23,105
SEGMENT RESULTS	分類業績	(14,424)	3,633	-	(10,791)
Interest income	利息收入				1,230
Net unallocated expenses	未能攤分之支出淨額				(892)
Finance costs	融資成本				(16,640)
Loss before tax (from continuing operations)	來自持續經營業務之 除稅前虧損				(27,093)

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 3. Segment result represents the profit earned by/loss from each segment without allocation of central administration costs, directors' emoluments, interest income and finance costs. This is the measure reported to the Executive Directors for the purposes of resource allocation and performance assessment.

可報告分類之會計政策與本集團於附註3所述會計政策相同。分類業績指未攤分中央行政成本、董事酬金、利息收入及融資成本前各分類所賺取之溢利或所錄得之虧損。此乃就資源分配及表現評估向執行董事報告之方法。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

8. SEGMENT INFORMATION (continued)

(a) Segment revenue and results (continued)
For the year ended 31 March 2010

8. 分類資料(續)

(a) 分類收益及業績(續)
截至二零一零年三月三十一日止年度

		Continuing operations 持續經營業務				
		Clocks and other office related products 時鐘及 其他辦公室 相關產品 HK\$'000 千港元	Provision of management services 提供 管理服務 HK\$'000 千港元	Coal mine business 煤礦業務 HK\$'000 千港元	Unallocated 未能攤分 HK\$'000 千港元	Total 總額 HK\$'000 千港元
ASSETS	資產					
Segment assets	分類資產	1	-	241,332		241,333
Unallocated assets	未能攤分之資產					301,900
Total assets	總資產					543,233
LIABILITIES	負債					
Segment liabilities	分類負債	8,290	-	63,258		71,548
Unallocated liabilities	未能攤分之負債					212,284
Total liabilities	總負債					283,832
OTHER SEGMENT INFORMATION:	其他分類資料：					
Amounts included in the measure of segment profit or loss or segment assets:	計入分類溢利或 虧損或分類資產 計量之金額：					
Additions to property, plant and equipment (Note)	添置物業、廠房及 設備(附註)	-	-	6,447		6,447
Depreciation and amortisation	折舊及攤銷	30	-	4,848		4,878
Net reversal of allowance for doubtful debts of trade receivables	應收貨款呆賬撥備之 撥回淨額	(553)	-	-		(553)
Write down of inventories	存貨撇減			16,800		16,800
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損	100	-	-		100
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:	定期向主要經營決策者 提供但並無計入 分類溢利或 虧損計量之金額：					
Interest income	利息收入	(6)	-	(84)	(30)	(120)
Interest expense	利息開支	-	-	217	18,539	18,756
Income tax expense	所得稅開支	163	-	2,000	-	2,163

Note: The amount excluded the property, plant and equipment acquired through acquisition of subsidiaries.

附註：金額不包括透過收購附屬公司所購入之物業、廠房及設備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

8. SEGMENT INFORMATION (continued)

(a) Segment revenue and results (continued)

For the year ended 31 March 2009

8. 分類資料(續)

(a) 分類收益及業績(續)

截至二零零九年三月三十一日止年度

		Continuing operations 持續經營業務			
		Clocks and other office related products 時鐘及 其他辦公室 相關產品 HK\$'000 千港元	Provision of management services 提供 管理服務 HK\$'000 千港元	Unallocated 未能攤分 HK\$'000 千港元	Total 總額 HK\$'000 千港元
ASSETS	資產				
Segment assets	分類資產	5,057	-		5,057
Unallocated assets	未能攤分之資產				380,920
Total assets	總資產				385,977
LIABILITIES	負債				
Segment liabilities	分類負債	10,205	-		10,205
Unallocated liabilities	未能攤分之負債				162,304
Total liabilities	總負債				172,509
OTHER SEGMENT INFORMATION:	其他分類資料:				
Amounts included in the measure of segment profit or loss or segment assets:	計入分類溢利或虧損或 分類資產計量之金額:				
Additions to property, plant and equipment	添置物業、廠房及設備	66	-		66
Depreciation and amortisation	折舊及攤銷	453	-		453
Bad debts directly written off	直接撇銷壞賬	3,728	-		3,728
Write down of inventories	存貨撇減	264	-		264
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損	3	-		3
Waiver of long outstanding trade payables	豁免長期未償還應付貨款	(4,162)	-		(4,162)
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:	定期向主要經營決策者提供 但並無計入分類溢利或 虧損計量之金額:				
Interest income	利息收入	(9)	-	(1,221)	(1,230)
Interest expense	利息開支	16,634	-	6	16,640
Income tax credit	所得稅抵免	(77)	-	-	(77)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

8. SEGMENT INFORMATION (continued)

(a) Segment revenue and results (continued)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments other than bank balances and cash and security deposit. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and
- all liabilities are allocated to reportable segments other than deferred tax liabilities, provision for close down, restoration and environmental costs, and convertible loan notes. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

(b) Geographical information

The following table presents turnover and certain assets and expenditure information for the Group by geographical location.

8. 分類資料(續)

(a) 分類收益及業績(續)

為監察分類表現及於各分類間分配資源：

- 除銀行結存及現金以及保證按金外，所有資產分配至可報告分類。可報告分類共同使用之資產按個別可報告分類所賺取收益之基準分配；及
- 除遞延稅項負債、關閉、復墾及環境成本撥備以及可換股借貸票據外，所有負債分配至可報告分類。可報告分類共同承擔之負債按分類資產比例分配。

(b) 地區資料

下表載列本集團按地區位置劃分之營業額以及若干資產及開支資料。

		Europe 歐洲		Hong Kong 香港		PRC (other than Hong Kong) 中國(不包括香港)		Total 總額	
		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	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
Sales to external customers	銷售予對外客戶	1,123	7,125	5,119	9,808	89,848	6,172	96,090	23,105
Non-current assets	非流動資產	-	-	-	9	179,703	148	179,703	157

Information about major customers

For the year ended 31 March 2010, a single customer of the coal mine business of the Group with revenue contributed to the Group amounting to approximately HK\$10,670,000 had individually accounted for over 10% of the Group's total revenue. The customer is a new customer to the Group for the year ended 31 March 2010.

For the year ended 31 March 2009, there was no individual customer contributed more than 10% of the total revenue of the Group.

有關主要客戶之資料

於截至二零一零年三月三十一日止年度，本集團煤礦業務之單一客戶為本集團收益貢獻約10,670,000港元，個別佔本集團總收益10%以上。於截至二零一零年三月三十一日止年度，該客戶為本集團之新客戶。

於截至二零零九年三月三十一日止年度，概無個別客戶佔本集團總收益10%以上。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

9. FINANCE COSTS

9. 融資成本

		Continuing operations 持續經營業務	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Interest expenses on:	利息開支：		
- bank borrowings wholly repayable within five years	- 須於五年內悉數償還之銀行借貸	-	6
- amount due to a minority shareholder	- 應付一名少數股東款項	217	-
- effective interest expenses on convertible loan notes (Note 27)	- 可換股借貸票據之實際利息開支(附註27)	18,539	16,634
		18,756	16,640

10. INCOME TAX (EXPENSE) CREDIT

10. 所得稅(開支)抵免

		Continuing operations 持續經營業務	
		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
The charge (credit) comprises:	有關支出(抵免)包括：		
Hong Kong Profits Tax	香港利得稅		
- current year	- 本年度	-	-
- over-provision in prior years	- 過往年度超額撥備	-	(99)
Tax in other jurisdictions	其他司法權區之稅項		
- current year	- 本年度	2,671	-
- under-provision in prior years	- 過往年度撥備不足	-	22
		2,671	(77)
Deferred tax (Note 29)	遞延稅項(附註29)	(508)	-
		2,163	(77)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

10. INCOME TAX (EXPENSE) CREDIT (continued)

On 26 June 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which reduced corporate profit tax rate from 17.5% to 16.5% effective from the year of assessment 2008/2009. Hong Kong Profits Tax has not been provided for in the consolidated financial statements as there was no estimated assessable profit derived from Hong Kong for both years ended 31 March 2010 and 31 March 2009.

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.

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

Pursuant to the laws and regulations in the PRC, one of the Group's subsidiaries operating in the PRC is entitled to exemption from PRC income tax in the first two years from the first profit-making year, followed by a 50% reduction of PRC income tax for the following three years.

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

10. 所得稅(開支)抵免(續)

於二零零八年六月二十六日，香港立法會通過二零零八年收入條例草案，將公司利得稅稅率由17.5%調減至16.5%，自二零零八／二零零九年評稅年度起生效。由於截至二零一零年三月三十一日及二零零九年三月三十一日止兩個年度內並無源自香港之估計應課稅溢利，故並無於綜合財務報表就香港利得稅作出撥備。

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法之實施條例，自二零零八年一月一日起，中國附屬公司之稅率為25%。

於其他司法權區產生之稅項按有關司法權區之通用稅率計算。

根據中國法律及規例，本集團於中國經營之其中一間附屬公司自其首個獲利年度起計首兩年可獲豁免繳付中國所得稅，其後三年之中國所得稅則減半。

本年度稅項支出(抵免)支出與綜合全面收益表中除稅前虧損之對賬如下：

	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Loss before tax (from continuing operations) 來自持續經營業務之除稅前虧損	(31,807)	(27,093)
Tax at domestic income tax rate of 16.5% (2009: 16.5%) 按本地所得稅稅率16.5% (二零零九年：16.5%) 計算之稅項	(5,248)	(4,470)
Tax effect of expenses not deductible for tax purposes 不作扣稅之開支之稅務影響	4,848	4,469
Tax effect of income not taxable for tax purpose 毋須課稅之收入之稅務影響	(36)	(1,109)
Utilisation of deductible temporary difference previously not recognised 動用過往未確認之可扣稅暫時差額	-	(15)
Tax effect of other deductible temporary differences and tax losses not recognised 未確認之其他可扣稅暫時差額及稅項虧損之稅務影響	2,755	1,261
Over-provision in prior years 過往年度超額撥備	-	(77)
Effect of different tax rates of subsidiaries operating in other jurisdictions 於其他司法權區經營之附屬公司不同稅率之影響	(156)	(136)
Tax expense (credit) for the year relating to continuing operations 持續經營業務相關之年內稅項開支(抵免)	2,163	(77)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

11. DISCONTINUED OPERATIONS**Discontinued operation of trading of metal**

During the year ended 31 March 2009, the Group ceased the operation of trading of metals. This was regarded as a discontinued operation and accordingly, the consolidated results and cash flows of the operation for the year 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
Turnover	營業額	-	-
Administrative expenses	行政費用	-	(1,748)
Loss for the year	年內虧損	-	(1,748)
Loss for the year from discontinued operation includes the following:	來自終止經營業務之年內虧損包括以下項目：		
Net exchange loss	匯兌虧損淨額	-	2

During the year ended 31 March 2009, the segment of trading of metal contributed approximately HK\$3,194,000 to the Group's net operating cash outflows, and paid approximately HK\$3,200,000 in respect of financing activities.

11. 終止經營業務**金屬貿易之終止經營業務**

截至二零零九年三月三十一日止年度，本集團終止經營金屬貿易業務。此項業務被視為終止經營業務，故該業務年內之綜合業績及經營現金流量如下：

截至二零零九年三月三十一日止年度，金屬貿易分類為本集團之經營現金流出淨額貢獻約3,194,000港元，並於融資業務方面支付約3,200,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

12. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging (crediting):

12. 年內虧損

年內虧損已扣除(計入)下列各項:

		Continuing operations	
		持續經營業務	
		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Cost of inventories sold	出售存貨之成本	88,012	17,134
Staff costs (excluding directors' remuneration (Note 15)):	員工成本(董事酬金(附註15)除外):		
Basic salaries and allowances	基本薪金及津貼	6,568	7,364
Retirement benefits scheme contributions	退休福利計劃供款	196	234
		6,764	7,598
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	1,677	453
Amortisation of intangible assets (included in cost of sales)	無形資產之攤銷(計入銷售成本)	3,201	-
Net reversal of allowance for doubtful debts of trade receivables (included in other operating income)	應收貨款呆賬撥備之撥回淨額(計入其他經營收入)	(553)	-
Auditor's remuneration	核數師酬金	680	550
Bad debts directly written off (included in administrative expenses)	直接撇銷壞賬(計入行政費用)	-	3,728
Operating leases charges on rented premises	有關租賃物業之經營租賃費用	1,852	879
Net exchange loss	匯兌虧損淨額	1,318	4,985
Write down of inventories (included in cost of sales)	存貨撇減(計入銷售成本)	16,800	264
Gain on disposal of subsidiaries	出售附屬公司之收益	-	(3)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	100	3
Waiver of long outstanding trade payables	豁免長期未償還應付貨款	-	(4,162)
Interest income	利息收入	(120)	(1,230)

13. DIVIDEND

No dividend was paid or proposed during the year ended 31 March 2010, nor has any dividend been proposed since the end of the reporting period (2009: Nil).

13. 股息

於截至二零一零年三月三十一日止年度內概無派付或建議派付股息，而自報告期間結束以來亦無建議派付任何股息(二零零九年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

14. LOSS PER SHARE – BASIC AND DILUTED

From continuing and discontinued operations

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

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Loss	虧損		
Loss for the year attributable to the owners of the Company	本公司擁有人應佔年內虧損	31,789	28,764
		2010 二零一零年	2009 二零零九年
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic loss per share	用以計算每股基本虧損之普通股加權平均數	765,373,584	765,373,584

From continuing operations

The calculation of the basic loss per share from continuing operations attributable to owners of the Company for the year is based on the following data:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	(31,789)	(28,764)
Less: Loss for the year from discontinued operations attributable to owners of the Company (note 11)	減：本公司擁有人應佔來自終止經營業務年內虧損(附註11)	-	(1,748)
Loss for the year for the purpose of basic loss per share from continuing operations	用以計算來自持續經營業務之每股基本虧損之年內虧損	(31,789)	(27,016)

The denominators used are the same as those detailed above for basic loss per share.

14. 每股虧損—基本及攤薄

來自持續及終止經營業務

本公司擁有人應佔年內每股基本及攤薄虧損乃根據下列數據計算：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	31,789	28,764
		2010 二零一零年	2009 二零零九年
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic loss per share	用以計算每股基本虧損之普通股加權平均數	765,373,584	765,373,584

來自持續經營業務

本公司擁有人應佔來自持續經營業務之年內每股基本虧損乃根據下列數據計算：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	(31,789)	(28,764)
Less: Loss for the year from discontinued operations attributable to owners of the Company (note 11)	減：本公司擁有人應佔來自終止經營業務年內虧損(附註11)	-	(1,748)
Loss for the year for the purpose of basic loss per share from continuing operations	用以計算來自持續經營業務之每股基本虧損之年內虧損	(31,789)	(27,016)

所用分母與上文詳述之每股基本虧損所用之分母相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

14. LOSS PER SHARE – BASIC AND DILUTED
(continued)

From discontinued operation

Basic loss per share for discontinued operations was HK0.23 cents per share in year 2009, based on the loss for the year from the discontinued operations attributable to the owners of the Company of approximately HK\$1,748,000 in year 2009 and the denominators detailed above for basic loss per share.

The calculation of diluted loss per share for the year ended 31 March 2010 do not assume the conversion of the convertible loan notes since its conversion would result in a decrease in loss per share. The basic and diluted loss per share are the same.

The calculation of diluted loss per share for the year ended 31 March 2009 do not assume the exercise of the outstanding share options and the conversion of the convertible loan notes since their exercise and conversion would result in a decrease in loss per share. The basic and diluted loss per share are the same.

14. 每股虧損—基本及攤薄(續)

來自終止經營業務

於二零零九年終止經營業務之每股基本虧損為每股0.23港仙，乃根據本公司擁有人應佔來自終止經營業務之二零零九年年內虧損約1,748,000港元計算，而分母與上文所詳述每股基本虧損之分母相同。

由於轉換可換股借貸票據會導致每股虧損減少，故計算截至二零一零年三月三十一日止年度每股攤薄虧損時並無假設有關轉換。每股基本及攤薄虧損相同。

由於行使尚未行使購股權及轉換可換股借貸票據會導致每股虧損減少，故計算截至二零零九年三月三十一日止年度每股攤薄虧損時並無假設有關於行使及轉換。每股基本及攤薄虧損相同。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註（續）

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

15. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to each of the six (2009: twelve) directors were as follows:

For the year ended 31 March 2010

15. 董事及高級管理人員酬金

(a) 董事酬金

已付或應付各六名（二零零九年：12名）董事之酬金如下：

截至二零一零年三月三十一日止年度

	Other emoluments			Total
	其他酬金			
	Salaries, allowances and other benefits	Retirement benefits scheme contributions		
Fees	benefits			
袍金	薪金、津貼及其他福利	退休福利計劃供款		總額
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
Executive directors:	執行董事：			
Lo Fong Hung	羅方紅	-	-	-
Wang Xiangfei	王翔飛	-	240	253
Kwan Man Fai	關文輝	-	240	253
Independent non-executive directors:	獨立非執行董事：			
Wong Man Hin, Raymond	黃文顯	240	-	240
Lam Ka Wai, Graham	林家威	240	-	240
Chan Yiu Fai, Youdey	陳耀輝	240	-	240
		720	480	1,226

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

15. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

(a) Directors' emoluments (continued)
For the year ended 31 March 2009

	Fees	Other emoluments		Total
		Salaries, allowances and other benefits	Retirement benefits scheme contributions	
	袍金	薪金、津貼及其他福利	退休福利計劃供款	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Executive directors:				
執行董事：				
Leung Heung Ying, Alvin ¹	–	1,392	1	1,393
Chung Oi Ling, Stella ¹	–	36	–	36
Lo Chi Ho, William ¹	–	–	–	–
Lo Fong Hung	–	245	12	257
Wang Xiangfei	–	245	12	257
Kwan Man Fai	–	245	12	257
Independent non-executive directors:				
獨立非執行董事：				
Lo Ming Chi, Charles ¹	15	–	–	15
Orr, Joseph Wai Shing ¹	15	–	–	15
Wong Ngao San, Marcus ¹	14	–	–	14
Wong Man Hin, Raymond	244	–	–	244
Lam Ka Wai, Graham	244	–	–	244
Chan Yiu Fai, Youdey	244	–	–	244
	776	2,163	37	2,976

¹ Resigned on 11 April 2008

There was no arrangement under which directors waived or agreed to waive any emoluments during the two years ended 31 March 2010.

15. 董事及高級管理人員酬金(續)

(a) 董事酬金(續)
截至二零零九年三月三十一日止年度

	Other emoluments		Total
	Salaries, allowances and other benefits	Retirement benefits scheme contributions	
	薪金、津貼及其他福利	退休福利計劃供款	總額
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
Executive directors:			
執行董事：			
Leung Heung Ying, Alvin ¹	–	1,392	1
Chung Oi Ling, Stella ¹	–	36	–
Lo Chi Ho, William ¹	–	–	–
Lo Fong Hung	–	245	12
Wang Xiangfei	–	245	12
Kwan Man Fai	–	245	12
Independent non-executive directors:			
獨立非執行董事：			
Lo Ming Chi, Charles ¹	15	–	–
Orr, Joseph Wai Shing ¹	15	–	–
Wong Ngao San, Marcus ¹	14	–	–
Wong Man Hin, Raymond	244	–	–
Lam Ka Wai, Graham	244	–	–
Chan Yiu Fai, Youdey	244	–	–
	776	2,163	37

¹ 於二零零八年四月十一日辭任

截至二零一零年三月三十一日止兩個年度，概無董事放棄或同意放棄任何酬金之安排。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

15. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

(b) Senior management's emoluments

Of the five individuals with the highest emoluments in the Group, none of them (2009: one) was director of the Company whose emoluments are set out above. The emoluments of the five (2009: four) highest paid 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, allowances and other benefits	薪金、津貼及其他福利	2,237	3,085
Retirement benefits scheme contributions	退休福利計劃供款	19	72
		2,256	3,157

The emoluments of five (2009: four) highest paid employees fall in the following bands:

		Number of individuals 人數	
		2010 二零一零年	2009 二零零九年
Emoluments bands	酬金範圍		
Nil – HK\$1,000,000	零至1,000,000港元	5	3
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	–	1
		5	4

(c) Except for approximately HK\$1,266,000 in aggregate paid to five former directors of the Company for loss of office during the year ended 31 March 2009, no emoluments have been paid by the Group to the directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office during the two years ended 31 March 2010.

15. 董事及高級管理人員酬金(續)

(b) 高級管理人員酬金

於本集團五名最高薪人士中，概無(二零零九年：一名)其酬金已載於上文之本公司董事。五名(二零零九年：四名)最高薪人士之酬金如下：

五名(二零零九年：四名)最高薪僱員之酬金介乎下列酬金範圍：

(c) 除於截至二零零九年三月三十一日止年度就本公司五名前董事離任向彼等支付合共1,266,000港元外，於截至二零一零年三月三十一日止兩個年度，本集團並無向本公司董事或五名最高薪人士支付任何酬金以作為彼等加盟本集團或加盟本集團時之獎勵，或作為彼等之離職賠償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture, equipment and motor vehicles 傢俬、設備 及汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總額 HK\$'000 千港元
COST	成本						
At 1 April 2008	於二零零八年四月一日	-	111	24,305	32,320	-	56,736
Exchange realignment	匯兌調整	-	1	(131)	(101)	-	(231)
Additions	添置	-	-	-	66	-	66
Disposals	出售	-	-	(139)	(332)	-	(471)
Deregistration of subsidiaries	附屬公司撤銷註冊	-	-	(424)	(512)	-	(936)
Disposal of a subsidiary	出售一間附屬公司	-	-	-	(12)	-	(12)
At 31 March 2009	於二零零九年三月三十一日	-	112	23,611	31,429	-	55,152
Exchange realignment	匯兌調整	15	1	41	5	1	63
Additions	添置	57	-	1,242	182	4,966	6,447
Disposal	出售	-	(113)	(636)	(336)	-	(1,085)
Acquisition of subsidiaries	收購附屬公司	7,359	-	9,863	1,131	437	18,790
Transfer	轉撥	438	-	4,966	-	(5,404)	-
At 31 March 2010	於二零一零年三月三十一日	7,869	-	39,087	32,411	-	79,367
ACCUMULATED DEPRECIATION AND AMORISATION	累計折舊及攤銷						
At 1 April 2007	於二零零七年四月一日	-	91	24,159	31,886	-	56,136
Exchange realignment	匯兌調整	-	1	(121)	(97)	-	(217)
Charge for the year	本年度支出	-	3	100	350	-	453
Eliminated on disposals	出售時對銷	-	-	(114)	(319)	-	(433)
Eliminated on deregistration of subsidiaries	附屬公司撤銷註冊時對銷	-	-	(424)	(512)	-	(936)
Eliminated on disposal of a subsidiary	出售一間附屬公司時對銷	-	-	-	(8)	-	(8)
At 31 March 2009	於二零零九年三月三十一日	-	95	23,600	31,300	-	54,995
Exchange realignment	匯兌調整	1	1	20	2	-	24
Charge for the year	本年度支出	414	-	1,074	189	-	1,677
Eliminated on disposal	出售時對銷	-	(96)	(636)	(223)	-	(955)
At 31 March 2010	於二零一零年三月三十一日	415	-	24,058	31,268	-	55,741
CARRYING VALUES	賬面值						
At 31 March 2010	於二零一零年三月三十一日	7,454	-	15,029	1,143	-	23,626
At 31 March 2009	於二零零九年三月三十一日	-	17	11	129	-	157

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

16. PROPERTY, PLANT AND EQUIPMENT (continued)

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

Leasehold land and buildings	Over the shorter of the term of the leases or 3.33%
Leasehold improvements	Over the shorter of the term of the leases or 15%
Plant and machinery	10% to 25%
Furniture, equipment and motor vehicles	10% to 25%

The carrying value of leasehold land and buildings shown above comprises:

16. 物業、廠房及設備(續)

上述物業、廠房及設備項目乃以直線法按下列年率計提折舊：

租賃土地及樓宇	按租賃年期或3.33%之間較短者
租賃物業裝修	按租賃年期或15%之間較短者
廠房及機器	10%至25%
傢俬、設備及汽車	10%至25%

上文顯示之租賃土地及樓宇賬面值包括：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Outside Hong Kong, held on leases of 10 to 50 years	位於香港境外按10至50年租約持有	7,454	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

17. INTANGIBLE ASSETS

17. 無形資產

		Exploration and evaluation assets 勘探 及評估資產 HK\$'000 千港元	Mining rights 採礦權 HK\$'000 千港元	On-line game intellectual property rights 網上遊戲 知識產權 HK\$'000 千港元	Patents and trademarks 專利權 及商標 HK\$'000 千港元	Total 總額 HK\$'000 千港元
COST	成本					
At 1 April 2008	於二零零八年四月一日	-	-	46,440	1,864	48,304
Exchange realignment	匯兌調整	-	-	-	(90)	(90)
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	-	-	(46,440)	(1,122)	(47,562)
At 31 March 2009	於二零零九年三月三十一日	-	-	-	652	652
Exchange realignment	匯兌調整	253	120	-	11	384
Acquisition of subsidiaries (Note i)	收購附屬公司(附註i)	44,380	97,620	-	-	142,000
At 31 March 2010	於二零一零年三月三十一日	44,633	97,740	-	663	143,036
ACCUMULATED AMORTISATION	累計攤銷					
At 1 April 2008	於二零零八年四月一日	-	-	46,440	1,864	48,304
Exchange realignment	匯兌調整	-	-	-	(90)	(90)
Eliminated on disposal of subsidiaries	出售附屬公司時對銷	-	-	(46,440)	(1,122)	(47,562)
At 31 March 2009	於二零零九年三月三十一日	-	-	-	652	652
Exchange realignment	匯兌調整	-	4	-	11	15
Charge for the year (Note ii)	本年度支出(附註ii)	-	3,201	-	-	3,201
At 31 March 2010	於二零一零年三月三十一日	-	3,205	-	663	3,868
CARRYING VALUES	賬面值					
At 31 March 2010	於二零一零年三月三十一日	44,633	94,535	-	-	139,168
At 31 March 2009	於二零零九年三月三十一日	-	-	-	-	-

Patents and trademarks and on-line game intellectual property rights have definite useful lives and are amortised on a straight-line basis over five years.

專利權及商標以及網上遊戲知識產權之可使用年期有限，並按直線法於五年內攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

17. INTANGIBLE ASSETS (continued)

Notes:

- i. The mining right and the exploration right together with other exploration and evaluation assets purchased as part of a business combination during the year ended 31 March 2010 are initially recognised at their fair values on acquisition with reference to professional valuation which is based on discounted cash flow method with reference to the operating environment of each of the operating entities. At the end of the reporting period, mining right and exploration and evaluation assets are measured using the cost model.
- ii. No amortisation is provided to write off the cost of exploration and evaluation assets as there is no operation commenced as at 31 March 2010.

Details of the Group's mining right and exploration right are as follows:-

Mines 礦場	Locations 地點	Expiry dates 到期日	Note 附註
Mining right 採礦權			
Kaiyuan Open Pit Coal Mine 凱源露天煤礦	Bei Ta Mountain, Qitai County, Xinjiang Uygur Autonomous Region (新疆維吾爾自治區奇台縣北塔山)	June 2018 二零一八年六月	-
Exploration right 勘探權			
Zexu Open Pit Coal Mine 澤旭露天煤礦	Bei Ta Mountain, Qitai County, Xinjiang Uygur Autonomous Region (新疆維吾爾自治區奇台縣北塔山)	October 2011 二零一一年十月	(a)

Note:

- (a) The exploration right represents licence for the right for exploration in the specified location in the PRC, which is included in the exploration and evaluation assets of the Group and the period of this exploration right is 2 years.

During the year ended 31 March 2010, the exploration right was renewed to October 2011. As at the date of approval of the consolidated financial statements, the Group has not changed the intention to apply for any extension of the licence for the exploration right until the application of the mining right for Zexu Open Pit Coal Mine has been approved. The Group is confident that the licence will be renewed by the relevant authorities upon expiry date.

17. 無形資產(續)

附註:

- i. 截至二零一零年三月三十一日止年度購入採礦權及勘探權連同其他勘探與評估資產作為業務合併一部分，並參照按各經營實體經營環境之貼現現金流量法作出之專業估值，初步以收購時之公平值確認。於報告期間結束時，採礦權以及勘探及評估資產採用成本模型計量。
- ii. 由於截至二零一零年三月三十一日止概無展開業務，故並無計提攤銷以撇銷勘探及評估資產成本。

本集團採礦權及勘探權之詳情如下

附註:

- (a) 勘探權指在中國指定地點進行勘探之權利所需牌照，已計入本集團之勘探及評估資產，此勘探權之期限為兩年。

於截至二零一零年三月三十一日止年度，勘探權獲重續至二零一一年十月。於綜合財務報表獲批准當日，本集團並無改變有關申請延長任何勘探權相關特許之意向，直至澤旭露天煤礦相關採礦權之申請獲批准為止。本集團深信有關當局於屆滿日期將重續該特許。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

18. GOODWILL

18. 商譽

		HK\$'000 千港元
COST	成本	
At 1 April 2008 and 31 March 2009	於二零零八年四月一日及二零零九年三月三十一日	17,004
Acquired on acquisition of subsidiaries	收購附屬公司時購入	20,465
At 31 March 2010	於二零一零年三月三十一日	37,469
IMPAIRMENT	減值	
At 1 April 2008 and 31 March 2009	於二零零八年四月一日及二零零九年三月三十一日	17,004
Impairment loss recognised in the year	年內已確認減值虧損	5,400
At 31 March 2010	於二零一零年三月三十一日	22,404
CARRYING VALUES	賬面值	
At 31 March 2010	於二零一零年三月三十一日	15,065
At 31 March 2009	於二零零九年三月三十一日	-

Goodwill acquired in a business combination is allocated to two cash generating units ("CGUs") that are expected to benefit from that business combination with reference to professional valuation which is based on discounted cash flow method with reference to the operating environment of each of the operating entities. The management considers subsidiaries acquired during the year represent a separate CGU for the purpose of goodwill impairment testing. At the end of the reporting period, the carrying amount of goodwill as at 31 December 2009 allocated to these subsidiaries are as follows:

由業務合併取得之商譽會參考各經營實體之營運環境後經參考按已貼現現金流量方法專業估值，分配到各預期將受惠於業務合併之兩個現金產生單位(「現金產生單位」)。就商譽減值測試而言，管理層視年內收購之附屬公司為獨立之現金產生單位。於報告期間結束時，於二零零九年十二月三十一日分配至該等附屬公司之商譽賬面值如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Qitai County Zexu Trading Company Limited	奇台縣澤旭商貿有限責任公司	4,832	-
Mulei County Kai Yuen Coal Company Limited	木壘縣凱源煤炭有限責任公司	10,233	-
		15,065	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

18. GOODWILL (continued)

The recoverable amounts of the above CGUs are determined from value-in-use calculations. That calculations use cash flow projections based on financial budgets approved by management covering a 5-year period, and discount rate of 22.5% using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. (2009: Nil). Cash flows beyond 5 year period have been extrapolated using zero growth rate per annum, which is 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.

Based on the aforesaid value-in-use calculations, the directors considered an impairment loss of goodwill of approximately HK\$1,732,000 (2009: Nil) and HK\$3,668,000 (2009: Nil) respectively in relation to goodwill arising on acquisition of Qitai County Zexu Trading Company Limited and Mulei County Kai Yuen Coal Company Limited during the year ended 31 March 2010.

19. SECURITY DEPOSIT

The balance represents a bank deposit placed for securing the Group's obligation in environmental restoration, which is interest-bearing at the prevailing bank saving interest rate and can be withdrawn upon the expiry of the Group's mining right.

20. INVENTORIES

Consumables	消費品
Finished goods	製成品

During the year ended 31 March 2010, the Group recognised an impairment loss of approximately HK\$16,800,000 (2009: HK\$264,000) in respect of raw materials and finished goods to write down the inventories to its net realisable value.

21. DEPOSITS FOR ACQUISITION OF SUBSIDIARIES

Balances as at 31 March 2009 represented refundable deposits paid as earnest money by a wholly-owned subsidiary of the Company which entered into a memorandum of understanding on 13 March 2009 with an independent third party in relation to the acquisition of the 51% equity interest in Star Fortune International Company Limited ("Star Fortune") for a consideration of HK\$104,066,000. Details of which are set out in Note 31. The balance has been offset with the consideration during the year.

18. 商譽(續)

上述現金產生單位之可收回金額乃根據使用價值計算法釐定。該計算使用按管理層批准涵蓋五年期間財政預算，及反映現金產生單位之貨幣時間及特定風險之目前市場評估之稅前比率貼現率22.5%(二零零九年：無)。五年期間後之現金流量乃使用根據行業增長預測計算之每年零增長率推斷。售價及直接成本變動按過往慣例及對市場未來變動之預期計算。

根據上述使用價值計算法，董事認為，就於截至二零一零年三月三十一日止年度收購奇台縣澤旭商貿有限責任公司及木壘縣凱源煤炭有限責任公司所產生商譽之商譽減值虧損分別為約1,732,000港元(二零零九年：無)及3,668,000港元(二零零九年：無)。

19. 保證按金

結餘指本集團就履行環境復墾承擔而存置之銀行存款，乃按當時之銀行儲蓄利率計息，並可於本集團之採礦權屆滿時提取。

20. 存貨

2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
409	45
62,998	1,599
63,407	1,644

截至二零一零年三月三十一日止年度，本集團就原材料及製成品確認減值虧損約16,800,000港元(二零零九年：264,000港元)以撇減存貨至其可變現淨值。

21. 收購附屬公司之按金

於二零零九年三月三十一日之結餘指根據本公司一間全資附屬公司與獨立第三方於二零零九年三月十三日就按代價104,066,000港元收購星力富鑫國際投資有限公司(「星力富鑫」)之51%股權訂立之諒解備忘錄，作為誠意金已支付之可退回訂金。有關詳情載於附註31。結餘已於年內抵銷代價。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

22. TRADE AND OTHER RECEIVABLES

22. 應收貨款及其他應收款項

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Trade and bills receivables	應收貨款及應收票據	12,350	1,354
Less: Allowance for doubtful debts of trade receivables	減：應收貨款呆賬撥備	(719)	(600)
		11,631	754
Prepayments, deposits and other receivables	預付款項、按金及其他 應收款項	1,781	2,425
		13,412	3,179

The Group's sales to coal customers are largely on cash basis or with payment in advance. For certain well-established customers, the Group allows an average credit period of 90 days.

本集團向煤炭客戶作出之銷售大部分以現金為基準或須預付款項。就若干關係良好之客戶而言，本集團批准之平均信貸期為90日。

The Group's sales to other customers are on open account terms. Trading terms with customers are largely on credit, except for new customers where payment in advance is normally required. Invoices are normally payable within 30 days of issuance, except for certain well-established customers, where the terms are extended to 180 days.

本集團向其他客戶作出之銷售以記賬形式進行。除新客戶一般須預先付款外，大部分客戶均獲給予信貸交易期。除給予若干關係良好之客戶最長180天信貸期外，一般須於發票發出後30天內付款。

Included in the trade receivables is bills receivables amounted to approximately HK\$10,117,000 (2009: Nil) aged within one year.

計入應收貨款之應收票據約10,117,000港元(二零零九年：無)，賬齡為一年內。

At the end of reporting period, the aging analysis of the trade and bills receivables, net of allowance for doubtful debts was as follows:

本集團之應收貨款及應收票據(於扣除呆賬撥備後)於報告期間結束時之賬齡分析如下：

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Within 90 days	90天內	7,248	565
91 – 180 days	91天至180天內	4,383	26
181 – 365 days	181天至365天內	–	–
Over 1 year	超過1年	–	163
		11,631	754

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

22. TRADE AND OTHER RECEIVABLES (continued)

- (a) At 31 March 2010 and 2009, the aging analysis of trade receivables that were past due but not impaired are as follows:

		Neither past due nor impaired		Past due but not impaired		
		Total	未逾期且未出現減值	已逾期但未出現減值		
				<90 days	91 to 365 days	Over 1 year
		HK\$'000	HK\$'000	少於90天	91天至365天	超過1年
		千港元	千港元	HK\$'000	HK\$'000	HK\$'000
				千港元	千港元	千港元
2010	二零一零年	11,631	11,631	-	-	-
2009	二零零九年	754	565	11	15	163

Trade receivables that were neither past due nor impaired related to wide range of customers for whom there was no recent history of default. The Group did not hold any collateral over these balances.

Trade receivables that were past due but not impaired at 31 March 2009 related to a number of independent customers that had a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group did not hold any collateral over these balances.

- (b) Movements in the allowance for doubtful debts of trade receivables in aggregate during the year are as follows:

		2010	2009
		二零一零年	二零零九年
		HK\$'000	HK\$'000
		千港元	千港元
Balance at beginning of the year	年初結餘	600	629
Exchange realignment	匯兌調整	1	(4)
Acquired on acquisition of subsidiaries	收購附屬公司時購入	671	-
Recognised during the year	年內確認	118	-
Amount recovered during the year	年內已收回款項	(671)	-
Written off	撇銷	-	(25)
Balance at end of the year	年終結餘	719	600

22. 應收貨款及其他應收款項(續)

- (a) 於二零一零年及二零零九年三月三十一日，已逾期但未出現減值之應收貨款賬齡分析如下：

未逾期且未出現減值之應收貨款乃涉及多名並無近期拖欠記錄之客戶。本集團並無就此等結餘持有任何抵押品。

已逾期但未於二零零九年三月三十一日出現減值之應收貨款乃涉及多名過往於本集團記錄良好之獨立客戶。由於信貸質素並無重大變動，而此等結餘仍被視為可全數收回，故根據過往經驗，管理層相信毋須就有關結餘作出減值撥備。本集團並無就此等結餘持有任何抵押品。

- (b) 年內應收貨款呆賬撥備之變動總額如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

22. TRADE AND OTHER RECEIVABLES (continued)

(b) (continued)

Included in the impairment loss are individually impaired trade receivables with an aggregate balance of HK\$719,000 (2009: HK\$600,000) which has been in financial difficulties. The Group does not hold any collateral over these balances.

In addition, a debtor balance of HK\$3,728,000 (2010: Nil) has been recognised as bad debts during the year ended 31 March 2009 and has been individually written off during the same year since the customer of such debt has been in financial difficulties

(c) Movements in the allowance for doubtful debts of other receivables in aggregate during the year are as follow:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	-	28
Amounts written off as uncollectible	因不能收回而撇銷之金額	-	(28)
Balance at end of the year	年終結餘	-	-

23. BANK BALANCES AND CASH

Bank balances and cash of the Group comprised bank balances and cash held by the Group and short-term deposits amounting to approximately HK\$283,347,000 (2009: HK\$375,579,000) with an original maturity of three months or less. The bank balances and bank deposits carried interest at market rates ranging from 0% to 1.35% (2009: 0% to 0.36%) per annum.

Included in bank balances and cash are the following amounts denominated in foreign currencies other than the functional currency of the entity to which they relate:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Great Britain Pound	英鎊	6	6
EUR	歐元	138	24
USD	美元	38	22

22. 應收貨款及其他應收款項(續)

(b) (續)

計入減值虧損之個別已減值應收貨款結餘總額為719,000港元(二零零九年: 600,000港元), 與出現財政困難之貨款有關。本集團並無就此等結餘持有任何抵押品。

此外, 由於涉及有關債項之客戶面對財政困難, 故應收貨款結餘3,728,000港元(二零一零年: 無)已於截至二零零九年三月三十一日止年度確認為壞賬, 並於同年個別撇銷。

(c) 年內其他應收款項呆賬撥備之變動總額如下:

	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Balance at beginning of the year	-	28
Amounts written off as uncollectible	-	(28)
Balance at end of the year	-	-

23. 銀行結存及現金

本集團之銀行結存及現金包括本集團持有之銀行結存及現金, 以及原到期日為三個月或以內之短期存款約283,347,000港元(二零零九年: 375,579,000港元)。銀行結存及銀行存款按介乎0厘至1.35厘(二零零九年: 0厘至0.36厘)之市場年利率計息。

銀行結存及現金包括下列以相關實體功能貨幣以外之外幣計值之款項:

	2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Great Britain Pound	6	6
EUR	138	24
USD	38	22

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

24. TRADE AND OTHER PAYABLES

At the end of reporting period, the aging analysis of the trade payables were as follows:

Within 90 days	90天內
91 – 180 days	91天至180天內
181 – 365 days	181天至365天內
Over 1 year	超過1年
Trade payables	應付貨款
Receipt in advance	預收款項
Other payables and accruals	其他應付款項及應計費用

The average credit period of purchases of goods is 180 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

At 31 March 2010, a balance payable to Mr. Liang Jin Yau (“Mr. Liang”), a director of certain subsidiaries of the Group, amounting to HK\$1,340,000 (2009: HK\$1,500,000) was included in other payables. The amount was unsecured, non-interest bearing and repayable on demand.

25. AMOUNTS DUE TO RELATED COMPANIES

Asia Peace Development Limited (“Asia Peace”)	偉和發展有限公司(「偉和」)
Ultra Good Electroplating Limited (“Ultra Good”)	特佳電鍍有限公司(「特佳」)
Artfield Industries (Shenzhen) Limited (“Artfield Industries (Shenzhen)”)	雅域實業(深圳)有限公司 (「雅域實業(深圳)」)

24. 應付貨款及其他應付款項

於報告期間結束時，應付貨款之賬齡分析如下：

2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
12,898	1,212
1,253	488
2,795	–
655	470
17,601	2,170
1,373	1,541
20,626	3,703
39,600	7,414

採購商品之平均信貸期為180天。本集團已制定財務風險管理政策，確保所有應付款項於信貸期限內清償。

於二零一零年三月三十一日，應付本集團若干附屬公司董事梁金友先生(「梁先生」)為數1,340,000港元(二零零九年：1,500,000港元)之結餘，已計入其他應付款項。有關金額為無抵押、不計息及須應要求償還。

25. 應付關連公司款項

2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
168	773
–	74
–	2,377
168	3,224

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綜合財務報表附註(續)

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

25. AMOUNTS DUE TO RELATED COMPANIES (continued)

The amounts are unsecured, non-interest bearing and repayable on demand.

Mr. Liang has beneficial interests in these related companies.

26. AMOUNT DUE TO A MINORITY SHAREHOLDER

The amount represents an unsecured loan denominated in RMB, bearing interest at 1.5% and repayable 6 months after date of the drawdown of the loan, and the loan could be renewed for a further 6 months period.

Principal outstanding
未償還本金額

Maturity
到期日

Carrying amount
賬面值
HK\$'000
千港元

RMB 25,000,000
人民幣25,000,000元

June 2010
二零一零年六月

28,500

27. CONVERTIBLE LOAN NOTES

On 14 March 2008, the Company issued zero-coupon convertible loan notes with an aggregate principal amount of HK\$200,000,000 to Ascent Goal simultaneously upon completion of the issue and allotment of 400,000,000 ordinary shares of HK\$0.1 each. The notes are denominated in HK\$ and entitle the holders to convert them into ordinary shares of the Company at any time between the date of issue of the notes and their settlement date on 13 March 2011 in multiples of HK\$1,000,000 at a conversion price HK\$0.20 (subject to adjustments) per share. The shares to be issued and allotted upon conversions shall rank pari passu in all respects among themselves and with all other ordinary shares in issue by the Company on the date of such allotment and issue.

The convertible loan notes contain two components, liability and equity elements. The equity element is presented in equity heading ("convertible loan notes reserve"). The effective interest rate of the liability component is 11.14%.

25. 應付關連公司款項(續)

有關款額為無抵押、不計息及須應要求償還。

梁先生擁有該等關連公司之實益權益。

26. 應付一名少數股東之款項

有關款額指以人民幣列值之無抵押貸款，按1.5厘計息及須於提取貸款日期後六個月償還，貸款可再重續六個月。

27. 可換股借貸票據

於二零零八年三月十四日，本公司於完成發行及配發400,000,000股每股面值0.1港元之普通股之同時，向晉標發行本金總額為200,000,000港元之零息可換股借貸票據。該等票據以港元計值，賦予持有人權利於該等票據之發行日期至結算日期二零一一年三月十三日期間，隨時按轉換價每股0.20港元(可予調整)將之轉換為本公司普通股，轉換時須為1,000,000港元之倍數。轉換時發行及配發之股份彼此之間及與配發及發行日期本公司所有其他已發行普通股於各方面均享有同等權益。

可換股借貸票據包含負債及權益兩個部分。權益部分於權益內之「可換股借貸票據儲備」呈列。負債部分之實際利率為11.14厘。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

27. CONVERTIBLE LOAN NOTES (continued)

The movement of the liability component of the convertible loan notes for the year 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
Carrying amount at 1 April	於四月一日之賬面值	161,871	145,237
Effective interest expenses (Note 9)	實際利息支出(附註9)	18,539	16,634
Carrying amount at 31 March	於三月三十一日之賬面值	180,410	161,871

27. 可換股借貸票據(續)

可換股借貸票據負債部分之年內變動載列如下：

28. SHARE CAPITAL**28. 股本**

		Number of ordinary shares of HK\$0.10 each 每股面值 0.10港元之 普通股數目	Amount 金額 HK\$'000 千港元
Authorised:	法定股本：		
Balance at 1 April 2008, 31 March 2009 and 31 March 2010	於二零零八年四月一日、 二零零九年三月三十一日及 二零一零年三月三十一日 之結餘	5,000,000,000	500,000
Issued and fully paid:	已發行及繳足：		
Balance at 1 April 2008, 31 March 2009 and 31 March 2010	於二零零八年四月一日、 二零零九年三月三十一日及 二零一零年三月三十一日 之結餘	765,373,584	76,537

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

29. DEFERRED TAX

The following are the major deferred tax liabilities (assets) recognised and movement thereof during the current and prior reporting periods.

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Intangible assets 無形資產 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2008	於二零零八年四月一日	53	-	(53)	-
Change in tax rate	稅率變動	(3)	-	3	-
At 31 March 2009	於二零零九年三月三十一日	50	-	(50)	-
Acquired on acquisition of subsidiaries	收購附屬公司時購入	-	33,783	-	33,783
Exchange realignment	匯兌調整	-	89	-	89
Credit to consolidated statement of comprehensive income for the year	於本年度之綜合全面收益表計入	-	(508)	-	(508)
At 31 March 2010	於二零一零年三月三十一日	50	33,364	(50)	33,364

At 31 March 2010, the Group had unused tax losses of HK\$58,315,000 (2009: HK\$52,275,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$302,000 (2009: HK\$302,000) of such losses. No deferred tax asset has been recognised in respect of the remaining tax losses of approximately HK\$58,013,000 (2009: HK\$51,973,000) due to the unpredictability of future profits streams. Tax losses may be carried forward indefinitely.

As 31 March 2010, the Group had deductible temporary differences of HK\$17,374,000 (2009: HK\$6,720,000). No deferred tax assets has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. 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\$22,957,000 (2009: Nil) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

29. 遞延稅項

以下為已確認之主要遞延稅項負債(資產)以及其於本報告期間及過往報告期間之變動。

於二零一零年三月三十一日，本集團之未動用稅項虧損為58,315,000港元(二零零九年：52,275,000港元)，可用作對銷未來溢利。本集團已就該等虧損約302,000港元(二零零九年：302,000港元)確認遞延稅項資產。由於難以預測日後之溢利來源，因此未有就餘下之稅務虧損約58,013,000港元(二零零九年：51,973,000港元)確認遞延稅項資產。稅項虧損可無限期結轉。

於二零一零年三月三十一日，本集團有可扣稅暫時差額17,374,000港元(二零零九年：6,720,000港元)。由於可扣稅暫時差額不大可能用作扣減應課稅溢利，故並無就有關可扣稅暫時差額確認遞延稅項資產。

根據中國企業所得稅法規定，自二零零八年一月一日起，將向中國附屬公司就其所賺取之溢利而宣派之股息徵收預扣稅。概無就中國附屬公司累計溢利應佔之暫時差額22,957,000港元(二零零九年：無)於綜合財務報表作出遞延稅項撥備，乃因本集團能控制撥回暫時差額之時間，且有關暫時差額將可能不會於可見將來撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註（續）

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

30. PROVISION FOR CLOSE DOWN, RESTORATION AND ENVIRONMENTAL COSTS**30. 關閉、復墾及環境成本撥備**

		HK\$'000 千港元
At 1 April 2009	於二零零九年四月一日	-
Acquired on acquisition of subsidiaries	收購附屬公司時購入	6,606
Utilised during the year	年內已動用	(4,816)
At 31 March 2010		1,790

The provision for close down, restoration and environmental costs, in relation to all of the two mines of the Group, amounted to HK\$1,790,000 as at 31 March 2010.

於二零一零年三月三十一日，就本集團全部兩個煤礦之關閉、復墾及環境成本作出之撥備為1,790,000港元。

Mining activities may result in land subsidence, which could lead to losses to the residents of the mining areas. Pursuant to the relevant PRC regulations, the Group is required to make compensation payments to the residents for their losses resulting from land subsidence, or to restore the mining areas back to certain acceptable conditions.

開採活動可能導致地陷，從而會令開採地區之居民遭受損失。根據相關中國規例，本集團須就地陷對居民造成之損失向有關居民作出賠償，或將開採地區恢復至一定可接受狀況。

Under existing legislation, management believes that there are no probable liabilities that will have a material adverse effect on the financial position or results of operations of the Group. The PRC government, however, has moved and may move further towards the adoption of more stringent environmental standards. Environmental liabilities are subject to considerable uncertainty which affect the Group's ability to estimate the ultimate cost of remediation efforts. These uncertainties include: (i) the exact nature and extent of the contamination at various sites including, but not limited to, coal mines and land development areas, whether operating, closed or sold, (ii) the extent of required cleanup efforts, (iii) varying costs of alternative remediation strategies, (iv) changes in environmental remediation requirements, and (v) the identification of new remediation sites.

在現行法例，管理層相信不會發生任何可能對本集團財務狀況或經營業績有重大負面影響的責任。然而，中國政府已經並有可能進一步實施更嚴格的環保標準。環保責任涉及相當程度的不確定因素，並可能影響本集團估計最終環境補償成本的能力。此等不確定因素包括：(i)於不同地點(包括但不限於營運中、已關閉或已出售的礦場及土地開發區域)確實出現污染之性質及程度；(ii)需要展開清理工作的程度；(iii)各種其他可供選用補救措施的成本；(iv)環境補償規定的更改；及(v)新確定需要採取補救措施的地點。

The provision for close down, restoration and environmental clean up costs has been determined by management based on their past experience and best estimate of future expenditure by discounting the expected expenditures to their net present value. However, in so far as the effect of the land and the environment from current mining activities becomes apparent in future periods, the estimate of the associated costs may be subject to revision in the future. The amounts provided in relation to close down, restoration and environmental clean up costs are reviewed at least annually based upon the facts and circumstances available at the time and the provisions are updated accordingly.

管理層已根據彼等過去經驗，以及對未來開支之最佳估計，並將預期開支貼現至其現有淨值而釐定關閉、復墾及環境清理成本撥備。然而，只要目前採礦活動帶來之土地及環境影響於未來期間會顯著出現，則相關成本之估計或須於未來作出修訂。就關閉、復墾及環境清理成本提取之撥備至少會每年根據當時可得之事實及情況而審核，以提取最新撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

31. ACQUISITION OF SUBSIDIARIES

On 3 July 2009, the Group completed the acquisition of 51% equity interest in Star Fortune, which engages in mining, sales and distribution of coal in the PRC, at an aggregate consideration of HK\$104,066,000 including legal and professional fees directly attributable to the acquisition amounting to approximately HK\$4,066,000. This transaction has been accounted for using the acquisition method of accounting.

The aggregate net assets acquired in the transaction, and the goodwill arising on acquisition, are as follows:

31. 收購附屬公司

於二零零九年七月三日，本集團完成收購星力富鑫(於中國從事開採、銷售及分銷煤炭)51%股本權益，總代價為104,066,000港元，包括收購直接應佔法律及專業費用約4,066,000港元。是項交易已按收購會計法進行處理。

交易所購入總資產淨值及收購所產生之商譽如下：

		Carrying amount before acquisition	Acquiree's fair value adjustments	Acquiree's fair value at acquisition date
		收購前賬面值 HK\$'000 千港元	被收購方之 公平值調整 HK\$'000 千港元	被收購方 於收購日期 之公平值 HK\$'000 千港元
Net assets acquired:	所購入資產淨值：			
Property, plant and equipment	物業、廠房及設備	18,790	-	18,790
Intangible assets	無形資產	185,323	(43,323)	142,000
Inventories	存貨	70,297	-	70,297
Trade and other receivables	應收貨款及其他應收款項	28,787	-	28,787
Bank balances and cash	銀行結存及現金	32,461	-	32,461
Trade and other payables	應付貨款及其他應付款項	(57,260)	-	(57,260)
Amount due to minority shareholder	應付少數股東款項	(28,500)	-	(28,500)
Deferred tax liabilities	遞延稅項負債	(44,613)	10,830	(33,783)
Taxation payable	應付稅項	(2,263)	-	(2,263)
Provision for close down, restoration and environmental costs	關閉、復墾及環境成本 撥備	(6,606)	-	(6,606)
Net assets acquired	所購入資產淨值	196,416	(32,493)	163,923
Minority interests	少數股東權益			(80,322)
Goodwill arising on acquisition (Note 18)	收購所產生之商譽 (附註18)			20,465
Total consideration	總代價			104,066
Satisfied by:	付款方式：			
Deposits for acquisition of subsidiaries (Note 21)	收購附屬公司之按金 (附註21)			2,000
Cash	現金			102,066
				104,066
Net cash outflow arising on acquisition:	因收購而產生之現金流出 淨額：			
Cash consideration	現金代價			102,066
Bank balances and cash acquired	所購入銀行結存及現金			(32,461)
Net outflow of cash and cash equivalents in respect of the acquisition of subsidiaries	收購附屬公司之現金及現金 等值項目流出淨額			69,605

31. ACQUISITION OF SUBSIDIARIES (continued)

The goodwill on acquisition of the above subsidiaries represents opportunities for the Group to bring its expertise to the proposition and access to the region of PRC that are provided by the above newly acquired subsidiaries.

The subsidiaries acquired during the year contributed HK\$86,514,000 to the Group's turnover and a loss for the year of HK\$6,766,000 between the date of acquisition and the end of the reporting period.

If the acquisition had been completed on 1 April 2009, total group revenue for the period would have been HK\$159,551,000 and loss for the year would have been HK\$2,555,000. The pro forma information is for illustrative purpose only and is not necessarily an indicative revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2009, nor is it intended to be a projection of future results.

32. DISPOSAL OF SUBSIDIARIES

During the year ended 31 March 2009 on 3 February 2009, the Group disposed of its 100% interests in Artfield Company Limited and its subsidiaries (including Matrix Software Inc.) ("Disposal Group") to an independent third party at a consideration of HK\$100. The net assets of Disposal Group at the date of disposal were as follows:

		3 February 2009 二零零九年 二月三日 HK\$'000 千港元
Net assets of Disposal Group disposed of:	所售出出售集團資產淨值：	
Property, plant and equipment	物業、廠房及設備	4
Trade and other receivables	應收貨款及其他應收款項	9
		13
Exchange translation reserve realised on disposal of subsidiaries	於出售附屬公司時變現匯兌儲備	(16)
Gain on disposal	出售收益	3
		-
Total consideration	總代價	-

The subsidiaries disposed of during the year ended 31 March 2009 had no significant impact on the turnover, cash flows and results of the Group for that year.

31. 收購附屬公司(續)

收購上述附屬公司產生之商譽指本集團因上述新收購附屬公司而獲得機會將其專業知識引進中國地區並加以發展。

年內，收購附屬公司於收購日期起至報告期間結束時為本集團帶來營業額及年內虧損分別86,514,000港元及6,766,000港元。

假設收購已於二零零九年四月一日完成，期內集團總收益及年內虧損應分別為159,551,000港元及2,555,000港元。備考資料僅供說明用途，未必能夠表示倘若收購已於二零零九年四月一日完成，本集團實際會錄得上述收益及經營業績，亦不擬作為未來業績之預測。

32. 出售附屬公司

於截至二零零九年三月三十一日止年度，本集團於二零零九年二月三日按代價100港元向獨立第三方出售其於Artfield Company Limited及其附屬公司(包括Matrix Software Inc.)(「出售集團」)之全部權益。出售集團於出售日期之資產淨值如下：

於截至二零零九年三月三十一日止年度出售之附屬公司對本集團該年之營業額、現金流及業績概無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

33. DEREGISTRATION OF SUBSIDIARIES

During the year ended 31 March 2009, the Group deregistered two of its subsidiaries, Ferdinand International (Marketing) Limited ("Ferdinand International (Marketing)") and 高明豐雅鐘錶有限公司(「高明豐雅」).

Net liabilities at the date of deregistration

		Ferdinand International (Marketing)	高明豐雅	Total 總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Exchange translation reserve realised on deregistration of subsidiaries	附屬公司撤銷註冊時變現匯兌儲備	(2,733)	115	(2,618)
Net gain on deregistration	撤銷註冊收益淨額	2,733	(115)	2,618
		-	-	-

The subsidiaries deregistered during the year ended 31 March 2009 had no significant impact on the turnover and results of the Group for that year.

33. 附屬公司撤銷註冊

於截至二零零九年三月三十一日止年度，本集團撤銷註冊其兩間附屬公司Ferdinand International (Marketing) Limited (「Ferdinand International (Marketing)」)及高明豐雅鐘錶有限公司(「高明豐雅」)。

於撤銷註冊日期之負債淨額

於截至二零零九年三月三十一日止年度撤銷註冊之附屬公司對本集團該年之營業額及業績概無重大影響。

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綜合財務報表附註(續)

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

34. RELATED PARTY TRANSACTIONS

- (i) Except as disclosed elsewhere in the consolidated financial statements, the significant related party transactions, which were carried out in the normal course of the Group's business are as follows:

		2010 二零一零年 HK\$'000 千港元	2009 二零零九年 HK\$'000 千港元
Asia Peace	偉和		
– purchase of clocks, timepieces, gifts and premium products	– 購買時鐘、時計、贈品及禮品產品	314	9,963
– sales of clocks	– 銷售時鐘	124	–
– rental expenses	– 租金開支	200	–
Ultra Good	特佳		
– purchase of electroplating services	– 購買電鍍服務	–	74
Star Fortune International Development Company Limited (“SFID”) (Note)	星力富鑫發展有限公司 (「星力富鑫發展」)(附註)		
– loan interest expenses	– 貸款利息開支	217	–
Artfield Industries (Shenzhen)	雅域實業(深圳)		
– rental expenses paid	– 已付租金開支	–	120
China Sonangol	安中國際		
– management fee income received	– 已收取管理費收入	5,000	4,000
– rental expenses	– 租金開支	480	–

Note: SFID is the holder of 49% equity interest of Star Fortune and is treated as the minority shareholder of the Group.

附註：星力富鑫發展為星力富鑫49%股本權益之持有人，故被視為本集團之少數股東。

- (ii) **Compensation of key management personnel**
The remuneration of directors and other members of key management during the year was as follows:

		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	1,812	2,939
Post-employment benefits	離職後福利	33	37
		1,845	2,976

The remuneration of directors and key executives was determined by the remuneration committee having regard to the performance of individuals and market trends.

董事及主要行政人員之酬金由薪酬委員會參照彼等之個人表現及市場趨勢釐定。

34. 關連人士交易

- (i) 除綜合財務報表其他部分所披露者外，本集團於一般業務過程中進行之重大關連人士交易如下：

- (ii) **主要管理人員補償**
於本年度，董事及其他主要管理層成員之酬金如下：

35. OPERATING LEASE COMMITMENTS

The Group as lessee

The Group leases certain of its offices and staff quarters under operating lease arrangements. Lease for properties are negotiated for a term ranging from one to four years and rental are fixed.

At the end of reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases 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	724	255
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	10	559
		734	814

36. SHARE OPTION SCHEME

The Company adopted a share option scheme on 21 March 1995 (the "Old Scheme") for the purpose of providing incentives and rewards to directors and eligible employees and expired on 20 March 2005.

As a result of the amendments of Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") on 1 September 2001, certain terms of the Old Scheme are no longer in compliance with the Listing Rules and the Company can no longer grant any further options under the Old Scheme without being in breach of the Listing Rules. Accordingly, the Company terminated the Old Scheme and adopted a new share option scheme (the "New Scheme"), which was approved in the Company's annual general meeting on 28 August 2003, for the purpose of providing incentives to directors and eligible participants.

Except that no further options may be granted under the Old Scheme subsequent to its termination, all the other provisions of the Old Scheme will remain in force so as to give effect to the exercise of all outstanding options granted under the Old Scheme prior to 1 September 2001 and all such options will remain valid and exercisable in accordance with the provisions of the Old Scheme.

35. 經營租賃承擔

本集團作為承租人

本集團根據經營租賃安排租用旗下若干辦公室及員工宿舍。該等物業之租約期介乎一年至四年不等，租金為固定租金。

於報告期間結束時，本集團根據不可撤銷經營租賃之未來應付最低租賃款項承擔於以下期間到期：

	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	724	255
In the second to fifth years, inclusive	10	559
	734	814

36. 購股權計劃

本公司於一九九五年三月二十一日採納一項購股權計劃(「舊計劃」)，目的為向董事及合資格僱員提供獎勵及回報，舊計劃已於二零零五年三月二十日屆滿。

由於香港聯合交易所有限公司證券上市規則(「上市規則」)第17章於二零零一年九月一日作出修訂，令舊計劃之若干條款不再符合上市規則，故若本公司根據舊計劃再授出任何購股權，將會違反上市規則。因此，本公司終止舊計劃並採納一項新購股權計劃(「新計劃」)，目的為獎勵董事及合資格參與者，其後新計劃已於本公司在二零零三年八月二十八日舉行之股東週年大會上獲批准。

除於終止舊計劃後不可再據此授出購股權外，舊計劃之所有其他條文均仍舊有效，因此於二零零一年九月一日前根據舊計劃已授出但尚未行使之所有購股權均可予行使，而所有該等購股權均可按照舊計劃之條文繼續有效及可予行使。

36. SHARE OPTION SCHEME (continued)

According to the New Scheme, the directors of the Company may grant options to eligible employees, including directors of the Company or any of its subsidiaries and any suppliers, customers, any technical, financial, and legal professional advisors who have contributed to the Group, to subscribe for shares in the Company for a consideration of HK\$1 for each lot of share options granted.

Options granted should be accepted within 28 days from the date of grant. The total number of shares which may be issued upon exercise of all options to be granted under the New Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the shares of the Company in issue at the date adoption of the New Scheme.

At the end of the reporting period, there was no remained outstanding share options granted under the scheme (2009: Nil). The total 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 in issue at any point in time, without prior approval from the Company's shareholders. Options granted to director, chief executive or substantial shareholder of the Company or any of their associates in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other option schemes of the Company must not in aggregate exceed 30% of the issued share capital of the Company from time to time.

The directors may at their absolute discretion determine the period during which an option may be exercised, such period to expire not later than 10 years from the date of grant of the option. The exercise price is determined by the directors and shall not be less than the highest of (i) the closing price of the Company's share on the date of grant, (ii) the average closing price of the Company's shares for the five business days immediately preceding the date of grant, and (iii) the nominal value of the share.

During the year ended 31 March 2010 and 31 March 2009, no option was granted under the New Schemes to directors of and consultants to the Group.

There was no outstanding share option as at 1 April 2008, 31 March 2009 and 31 March 2010.

36. 購股權計劃(續)

根據新計劃，本公司董事可向合資格僱員，包括本公司或其任何附屬公司之董事，以及任何曾對本集團作出貢獻之供應商、客戶以及任何技術、財務及法律專業顧問，授予購股權以認購本公司股份，每批已授出購股權之代價為1港元。

授出之購股權須於授出日期起計28日內接納。根據新計劃及本公司任何其他購股權計劃將予授出之購股權獲悉數行使時可發行之股份總數，不得超過本公司於新計劃採納日期已發行股份之10%。

於報告期間結束時，並無根據有關計劃已授出而尚未行使之購股權(二零零九年：無)。在未經本公司股東事先批准下，任何個別人士在一年內獲授之購股權涉及之股份總數均不得超過本公司在任何時候已發行股份之1%。向本公司董事、主要行政人員或主要股東或彼等之任何聯繫人士授出之購股權如涉及本公司股本超過0.1%或總值超過5,000,000港元，必須事先獲本公司股東批准。

根據新計劃及本公司任何其他購股權計劃授出而尚未行使之購股權獲悉數行使時可發行之股份數目，最多合共不得超過本公司不時已發行股本之30%。

董事可全權酌情決定購股權可予行使之期間，惟該期間不得超過授出購股權當日起計十年。行使價由董事釐定，惟不得低於(i)本公司股份於授出日期之收市價；(ii)本公司股份於緊接授出日期前五個營業日之平均收市價；及(iii)股份面值三者中之最高者。

於截至二零一零年三月三十一日及二零零九年三月三十一日止年度，並無根據新計劃授予本集團董事及顧問之購股權。

於二零零八年四月一日、二零零九年三月三十一日及二零一零年三月三十一日，概無尚未行使之購股權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

37. RETIREMENT BENEFIT SCHEME

The Group operates a defined contribution Mandatory Provident Fund Scheme (“MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employee’s basic salaries and are charged to the consolidated statement of comprehensive income as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

The Company’s subsidiaries established in Mainland China are members of the state-managed retirement benefits scheme operated by the PRC. The retirement scheme contributions, which are based on a certain percentage of the salaries of the PRC subsidiaries’ employees, are charged to the consolidated statement of comprehensive income in the year to which they are related and represented the amount of contributions payable by these subsidiaries to this scheme.

The total cost charged to the consolidated statement of comprehensive income of approximately HK\$222,000 (2009: HK\$271,000) represents contributions payable to the schemes by the Group in respect of the current financial year.

37. 退休福利計劃

本集團根據強制性公積金計劃條例為合資格參與定額供款強制性公積金計劃(「強積金計劃」)之僱員設立強積金計劃。供款乃根據僱員之基本薪金百分比計算，並根據強積金計劃之規則於應付時在綜合全面收益表內扣除。強積金計劃之資產由一個獨立管理之基金持有，與本集團之資產分開處理。本集團之僱主供款於向強積金計劃供款時全數撥歸僱員所有。

本公司在中國大陸成立之附屬公司乃中國政府營辦之國家管理退休福利計劃之成員。退休計劃供款乃根據中國附屬公司僱員之薪金之若干百分比計算，並在供款有關年度在綜合全面收益表內扣除，數額為此等附屬公司應付予該項計劃之供款金額。

於綜合全面收益表扣除之總成本約222,000港元(二零零九年：271,000港元)指本集團就本財政年度向該等計劃應付之供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY **38. 本公司之財務狀況報表**

		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
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		-	1
Investments in subsidiaries	於附屬公司之投資		-	-
			-	1
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司款項	(a)	52,736	-
Trade and other receivables	應收貨款及其他應收款項		-	9
Bank balances and cash	銀行結存及現金		272,837	377,690
			325,573	377,699
Current liabilities	流動負債			
Trade and other payables	應付貨款及其他應付款項		735	512
Convertible loan notes	可換股借貸票據		180,410	-
			181,145	512
Net current assets	流動資產淨值		144,428	377,187
Total assets less current liabilities	總資產減流動負債		144,428	377,188
Capital and reserves	股本及儲備			
Share capital	股本		76,537	76,537
Reserves	儲備	(b)	67,891	138,780
			144,428	215,317
Non-current liability	非流動負債			
Convertible loan notes	可換股借貸票據		-	161,871
			144,428	377,188

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

- (a) Amounts due from subsidiaries
The amounts are unsecured, interest-free and repayable on demand.

- (b) Reserves

38. 本公司之財務狀況報表(續)

- (a) 應收附屬公司款項
該等金額為無抵押、免息及須應要求償還。

- (b) 儲備

		Share premium	Convertible loan notes reserve	Share options reserve	Contributed surplus	Accumulated losses	Total
		股份溢價	可換股借貸票據儲備	購股權儲備	繳入盈餘	累計虧損	總額
		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
At 31 March 2008	於二零零八年三月三十一日	191,534	55,495	726	128,013	(222,062)	153,706
Cancellation of share options granted to directors	註銷向董事授出之購股權	-	-	(726)	-	726	-
Loss and comprehensive expense for the year	年內虧損及全面開支	-	-	-	-	(14,926)	(14,926)
At 31 March 2009	於二零零九年三月三十一日	191,534	55,495	-	128,013	(236,262)	138,780
Loss and comprehensive expense for the year	年內虧損及全面開支	-	-	-	-	(70,889)	(70,889)
At 31 March 2010	於二零一零年三月三十一日	191,534	55,495	-	128,013	(307,151)	67,891

The contributed surplus of the Company represents the difference between the nominal value of the Company's shares issued in exchange for the issued shares of the companies being acquired and the value of net assets of the underlying companies acquired at the time of the Group's reorganisation in preparation for its listing in 1995. Under the Companies Act 1981 of Bermuda, the Company may make distributions to its members out of the contributed surplus in certain circumstances.

本公司之繳入盈餘指本公司為交換所收購公司已發行股份而發行之本公司股份面值，與所收購相關公司於本集團在一九九五年為籌備上市進行重組時之資產淨值之差額。根據百慕達一九八一年公司法，本公司可在若干情況下自繳入盈餘向其股東作出分派。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

39. PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries held by the Company as at 31 March 2010 and 31 March 2009 are as follows:

39. 主要附屬公司

本公司於二零一零年三月三十一日及二零零九年三月三十一日持有之主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Class of shares held 所持股份類別	Place of incorporation/ registration and operations 註冊成立/ 註冊及經營地點	Nominal value of issued share/ registered capital 已發行股本 面值/註冊資本	Percentage of equity attributable to the Group 本集團應佔股權百分比		Principal activities 主要業務
				2010 二零一零年 %	2009 二零零九年 %	
Directly held: 直接持有：						
Teamright Holdings Limited	Ordinary 普通股	BVI 英屬處女群島	US\$1 1美元	100	100	Investment holding 投資控股
Lasting Power Investments Limited 力恒投資有限公司	Ordinary 普通股	BVI 英屬處女群島	US\$1 1美元	100	100	Investment holding 投資控股
Indirectly held: 間接持有：						
Artfield Manufacturing Company Limited 雅域實業有限公司	Ordinary 普通股	Hong Kong 香港	HK\$1,000 1,000港元	100	100	Marketing of clocks 營銷時鐘
	Non-voting deferred shares 無投票權遞延股		HK\$2,000,000 [#] 2,000,000港元 [#]			
Wehrle Uhrenfabrik GmbH	Ordinary 普通股	Germany 德國	EUR255,646 255,646歐元	100	100	Marketing of clocks 營銷時鐘
德力時鐘(深圳)有限公司(「德力」)	Contributed capital 繳入資本	PRC 中國	HK\$3,000,000 3,000,000港元	100	100	Manufacture of clocks 生產時鐘
Progress Team Limited 進研有限公司	Ordinary 普通股	Hong Kong 香港	HK\$1 1港元	100	100	Inactive 暫無業務
Star Fortune 星力富鑫	Ordinary 普通股	BVI 英屬處女群島	US\$780 780美元	51	-	Investment holding 投資控股
Ming Kei Kai Yuan Investment Company Limited 明基凱源投資有限公司	Ordinary 普通股	Hong Kong 香港	HK\$60,000,000 60,000,000港元	100	-	Investment holding 投資控股
Mulei County Kai Yuen Coal Company Limited 木壘縣凱源煤炭有限責任公司	Ordinary 普通股	PRC 中國	RMB30,000,000 人民幣30,000,000元	100	-	Coal mining and sales 開採及銷售煤炭
Qitai County Zexu Trading Company Limited 奇台縣澤旭商貿有限責任公司	Ordinary 普通股	PRC 中國	RMB2,000,000 人民幣2,000,000元	100	-	Coal mining and sales 開採及銷售煤炭

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

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

39. PRINCIPAL SUBSIDIARIES (continued)

Notes:

- # The non-voting deferred shares are entitled to a fixed non-cumulative dividend at the rate of 5% per annum and a return of the paid-up capital after the distribution of HK\$100,000,000, but carry no rights to receive notice of or to attend or vote at any general meeting of the company, or to participate in the profits or assets of the company.

德力 is a wholly foreign-owned enterprise established in the PRC.

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, 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.

None of the subsidiaries had any debt securities outstanding as at the end of the year or at any time during the year.

40. EVENTS AFTER THE REPORTING PERIOD

On 20 May 2010, Lasting Power Investments Limited ("Lasting Power"), a wholly-owned subsidiary of the Company, entered into an agreement with Star Fortune International Development Company Limited, a minority shareholder of Star Fortune, pursuant to which Lasting Power has conditionally agreed to further acquire 49% equity interest in Star Fortune at a consideration of HK\$50,000,000. Star Fortune is an investment holding company which is a subsidiary of the Company, with its subsidiaries engaging in mining, sale and distribution of coals in the PRC. Details of this transaction are stated in an announcement of the Company dated 2 June 2010.

39. 主要附屬公司(續)

附註：

- # 無投票權遞延股有權取得按年利率5厘計算之定額非累積股息及在分派100,000,000港元後之實繳資本回報，但無權接收任何該公司股東大會通告，或出席該公司任何股東大會或於會上表決，或參與該公司之溢利或資產。

德力為於中國成立之外商獨資企業。

上表列示本公司董事認為主要影響本集團業績或資產之本集團附屬公司。董事認為，詳列其他附屬公司之資料會導致篇幅過於冗長。

於年終或年內任何時間，概無附屬公司擁有任何已發行之債務證券。

40. 報告期間後事項

於二零一零年五月二十日，本公司全資附屬公司力恒投資有限公司(「力恒」)與星力富鑫之少數股東星力富鑫國際發展有限公司訂立協議，據此，力恒有條件同意進一步收購星力富鑫之49%股權，代價為50,000,000港元。星力富鑫為投資控股公司，並為本公司之附屬公司，其附屬公司於中國從事煤炭開採、銷售及分銷業務。有關是項交易之詳情載於本公司日期為二零一零年六月二日之公佈。

FIVE YEARS FINANCIAL SUMMARY

五年財務摘要

For the year ended 31 March 2010 (Express in thousands of Hong Kong dollars)
截至二零一零年三月三十一日止年度(以千港元為單位)

A summary of the published results, assets and liabilities, and minority interests of the Group for the last five financial years is set out below.

本集團過去五個財政年度之已公佈業績、資產及負債以及少數股東權益摘要如下。

RESULTS

業績

		Year ended 31 March 截至三月三十一日止年度				
		2010 二零一零年	2009 二零零九年	2008 二零零八年	2007 二零零七年	2006 二零零六年
TURNOVER	營業額	96,090	23,105	137,164	173,405	221,135
LOSS FROM OPERATIONS	經營虧損	(7,651)	(14,822)	(21,631)	(84,700)	(26,930)
Gain on disposal of subsidiaries	出售附屬公司之收益	-	3	669	9,885	-
Net gain on deregistration of subsidiaries	附屬公司撤銷註冊之收益淨額	-	2,618	215	-	-
Finance costs	融資成本	(18,756)	(16,640)	(974)	(2,820)	(2,893)
Impairment loss recognised in respect of intangible asset	就無形資產確認之減值虧損	-	-	-	(46,440)	-
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	(5,400)	-	-	(3,963)	(17,004)
Impairment loss recognised in respect of interests in associates	就聯營公司權益確認之減值虧損	-	-	-	-	(23,768)
Loss before tax	除稅前虧損	(31,807)	(28,841)	(21,721)	(128,038)	(70,595)
Income tax (expenses) credit	所得稅(開支)抵免	(2,163)	77	(524)	3,243	(1,516)
Loss for the year	年內虧損	(33,970)	(28,764)	(22,245)	(124,795)	(72,111)
Attributable to:	應佔:					
Owners of the Company	本公司擁有人	(31,789)	(28,764)	(22,245)	(124,577)	(72,149)
Minority interests	少數股東權益	(2,181)	-	-	(218)	38
		(33,970)	(28,764)	(22,245)	(124,795)	(72,111)

FIVE YEARS FINANCIAL SUMMARY

五年財務摘要

For the year ended 31 March 2010 (Express in thousands of Hong Kong dollars)
截至二零一零年三月三十一日止年度(以千港元為單位)

ASSETS AND LIABILITIES AND MINORITY INTERESTS 資產及負債以及少數股東權益

		At 31 March 於三月三十一日				
		2010 二零一零年	2009 二零零九年	2008 二零零八年	2007 二零零七年	2006 二零零六年
Total assets	總資產	543,233	385,977	403,730	86,535	229,629
Total liabilities	總負債	(283,832)	(172,509)	(169,569)	(34,908)	(89,788)
Minority interests	少數股東權益	(78,004)	-	-	211	(7,002)
Net assets	資產淨值	181,397	213,468	234,161	51,838	132,839

