

INTERNATIONAL RESOURCES ENTERPRISE LIMITED

國際資源實業有限公司

(formerly known as China Sonangol Resources Enterprise Limited)

(前稱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
2011 年報



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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

COMPANY SECRETARY

Hung Che Wan

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

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

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

公司秘書

洪芝雲

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

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

CORPORATE INFORMATION (continued)
公司資料(續)

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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

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

**PRINCIPAL SHARE REGISTRAR AND
TRANSFER OFFICE**

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

股份過戶登記總處

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

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

HONG KONG STOCK EXCHANGE STOCK CODE

1229

香港聯合交易所股份代號

1229

WEBSITE

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

網站

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

CHAIRMAN'S STATEMENT

主席報告

TO ALL SHAREHOLDERS

On behalf of the board of directors (the "Board") of International 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 2011.

RESULTS AND DIVIDENDS

For the financial year ended 31 March 2011, the Group recorded turnover and loss attributable to the shareholders of HK\$104,428,000 (2010: HK\$96,090,000) and HK\$81,955,000 (2010 loss: HK\$33,970,000) respectively. The board does not recommend the payment of any dividend for the year ended 31 March 2011 (2010: Nil).

The loss for the year ended 2011 was mainly attributed to certain non-operating items, increase in convertible bonds' finance cost of HK\$1,089,000, change in fair value of convertible bonds of HK\$1,186,000, increase impairment loss on goodwill of HK\$9,665,000 and impairment loss on intangible assets of HK\$41,595,000. The selling and distribution expenses was decreased by 63.18% to approximately HK\$1,165,000 due to the slow down of clock business while consolidating the coal mine business during the year.

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 100% equity interest in a company with mining interests and conducting selling of coal in Xinjiang Province, China in August 2010, wholly-own the mining resources included (i) the mining rights of Kaiyuan Openpit 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 14.43 million tons and 4.58 million tons respectively and (ii) the exploration rights of Zexu Openpit Coal Mine located in the Xinjiang Uygur Autonomous Region, the PRC, which has the estimated measured coal resources of 56.58 million tons as of 31 March 2010.

致各位股東

本人謹代表國際資源實業有限公司(「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」)截至二零一一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

截至二零一一年三月三十一日止財政年度，本集團錄得營業額及股東應佔虧損分別為104,428,000港元(二零一零年：96,090,000港元)及81,955,000港元(二零一零年虧損：33,970,000港元)。董事會不建議就截至二零一一年三月三十一日止年度派付任何股息(二零一零年：無)。

截至二零一一年止年度錄得虧損主要歸因於若干非經營項目，當中可換股債券融資成本增加1,089,000港元、可換股債券公平值變動1,186,000港元、商譽減值虧損增加9,665,000港元及無形資產減值虧損41,595,000港元。由於在煤礦業務於年內綜合入賬時，時鐘業務放緩，銷售及分銷費用減少63.18%至約1,165,000港元。

業務回顧及前景

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。

於二零一零年八月，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100%股本權益，全資擁有的採礦資源包括(i)位於中國新疆維吾爾自治區之凱源露天煤礦採礦權，該煤礦之估計勘定煤礦儲量及估計可推定煤礦儲量分別約為14,430,000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，該煤礦於二零一零年三月三十一日之估計探明煤礦資源為56,580,000噸。

BUSINESS REVIEW AND OUTLOOK (continued)

During the year, China sets a strategic move to steer state controlled investment to certain industries according to the interest of the nation. This time is called the "125" plan, this plan will focus mainly on energy related sectors. In terms of energy sources, China's overall energy objective during the 12th five-year plan will be to maintain coal as the dominant source of energy. It is focused that the growth of 550 millions tones of coal from 2010 to 2015, 26% will be from Mongolia. The Group is confident 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. However, the Group is also encountering challenges for its development. Competition in the future will intensify as excessive production capacity of coal industry gradually emerges. Cost control will be more difficult due to the increase in raw materials prices and structural rise of labor costs. Room for increase of the coal price for major contracts will be limited under the inflation expectation management of the Chinese government. China coal energy will actively cope with all difficulties and challenges, strengthen its capability to ensure safely production, continue to improve the Group's corporate governance, increase the Group's operating results and create new value for our shareholders.

The Group will continue to explore other investment opportunities in various industries that have earning potentials as well as sustainable growth prospect aiming at maximizing the benefits for shareholders.

Extension of Convertible Loan Notes

The Company has extended the Convertible Loan Notes for 36 months from 14 March 2011. Except from the extension of period, all terms are remained unchanged.

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, 20 June 2011

業務回顧及前景(續)

年內，中國依據國家利益制定策略舉措，操控若干行業之國家控制投資。該段期間稱之為「一二五」計劃，該計劃以能源相關行業為重。於能源方面，中國於第十二個五年計劃期間之整體能源目標將繼續以煤炭為主要能源。重點將煤炭從二零一零年至二零一五年期間增加550,000,000噸，其中26%將來自內蒙古。鑒於中國經濟逐步增長，本集團深信各行各業之煤炭需求將繼續殷切。然而，本集團亦面對發展上之挑戰。由於煤炭行業產能過剩之情況逐步浮現，導致日後競爭加劇。原材料價格上漲及勞資成本的結構性增幅，亦令本集團更難於控制成本。根據中國政府之通脹預期管理，重大合約之煤炭價格漲幅將受到限制。中國煤炭能源業將積極應對各種困難及挑戰，並加強能力以確保生產安全，本集團將繼續改善企業管治，致力提升經營業績及為股東創造新價值。

本集團將繼續於各行業物色其他具有盈利潛力及可持續增長前景之投資機遇，務求盡量擴大股東之利益。

可換股借貸票據延期

本公司已將可換股借貸票據從二零一一年三月十四日延期36個月。除延期外，所有條款維持不變。

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鼎力支持深表謝意。

承董事會命

羅方紅
主席

香港，二零一一年六月二十日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Turnover

The Group recorded a turnover of approximately HK\$104,428,000 for the year ended 31 March 2011 (2010: HK\$96,090,000). It represents an increase of approximately HK\$8,338,000 or 8.68% as compared with last year.

The increase was mainly due to the positive effect on the acquisition of the remaining 49% equity interest in Star Fortune International Investment Company Limited. For the illustrative purpose only, if the acquisition had been completed on 1 April 2009, total group revenue for the period would have been HK\$95,993,000 instead of HK\$86,514,000 for coal mine business segment in year 2010.

Gross profit

The gross profit of the Group for the year ended 31 March 2011 was decreased to approximately HK\$71,000 (2010: HK\$8,078,000). This was mainly due to the reduction of management services income of HK\$5,000,000 due to contract completed and reduction of income of approximately HK\$4,576,000 from clock business.

Loss for the year

Loss of the Group for the year ended 31 March 2011 was increased 141.26% to approximately HK\$81,955,000 (2010: approximately HK\$33,970,000). This was mainly due to the increase in convertible bonds' finance cost of HK\$1,089,000, change in fair value of convertible bonds of HK\$1,186,000, increase impairment loss on goodwill of HK\$9,665,000 and impairment loss on intangible assets of HK\$41,595,000. The selling and distribution expenses was decreased 63.18% to approximately HK\$1,165,000 due to management implemented tight cost control and the slow down of clock business while consolidating the coal mine business during the year.

SEGMENT INFORMATION

Business segment

The performance of each of the Group's business segment for the year ended 31 March 2011 are set out in note 8 to the financial statements and are summarised below:

Other Business

There was no turnover in the year (2010: approximately HK\$9,576,000), this division was under reviewed by the management.

The trading loss for the year ended 31 March 2011 was approximately HK\$581,000 (2010: trading profit of approximately HK\$2,537,000).

財務回顧

營業額

截至二零一一年三月三十一日止年度，本集團錄得營業額約104,428,000港元(二零一零年：96,090,000港元)，較去年增加約8,338,000港元或8.68%。

本年度增加主要由於收購星力富鑫國際投資有限公司餘下49%股本權益之正面影響所致。倘收購已於二零零九年四月一日完成，集團於二零一零年度期內煤炭開採業務之收益將為95,993,000港元，而並非86,514,000港元，僅供說明之用。

毛利

截至二零一一年三月三十一日止年度，本集團之毛利減少至約71,000港元(二零一零年：8,078,000港元)，主要由於已完成管理服務合約收入減少5,000,000港元及時鐘業務收入減少約4,576,000港元所致。

年內虧損

截至二零一一年三月三十一日止年度，本集團虧損增加141.26%至約81,955,000港元(二零一零年：約33,970,000港元)，主要由於可換股債券融資成本增加1,089,000港元、可換股債券公平值變動1,186,000港元、商譽減值虧損增加9,665,000港元及無形資產減值虧損41,595,000港元所致。由於煤礦業務於年內綜合入賬時，管理層實行嚴格成本控制及時鐘業務放緩，銷售及分銷費用減少63.18%至約1,165,000港元。

分類資料

業務分類

本集團各業務分類於截至二零一一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：

其他業務

年內概無營業額(二零一零年：約9,576,000港元)，本分部由管理層審閱。

截至二零一一年三月三十一日止年度之貿易虧損約為581,000港元(二零一零年：貿易溢利約2,537,000港元)。

SEGMENT INFORMATION (continued)

Business segment (continued)

Coal Mine Business

The Division contributed a turnover of HK\$104,428,000 for the year ended 31 March 2011 (2010: HK\$86,514,000) and represents 20.71% increased in 2010. Coal price was increased on different types of coal, but the costs of production was radically high.

Mine Sales and Production

During the year under review, the Group sold 1.88 million tons to have the total sales income HK\$104,428,000. Details of coal sales in tons are listed in the below tables.

分類資料(續)

業務分類(續)

煤礦業務

本分部於截至二零一一年三月三十一日止年度之營業額貢獻為104,428,000港元(二零一零年: 86,514,000港元), 較二零一零年增加20.71%。煤價依據不同煤炭類型上漲, 但生產成本卻被大幅拉高。

煤礦銷售及生產

於回顧年內, 本集團出售1,880,000噸煤炭, 總銷售收入為104,428,000港元。以噸計之煤炭銷售詳情載於下表。

		Year ended 31 March 截至三月三十一日止年度	
		2011 二零一一年	2010 二零一零年
Coal sales	煤炭銷售	1,883,853 tons噸	1,882,100 tons噸

Coal Sales (tons) and Percentage of Coal Sales

煤炭銷售(噸)及煤炭銷售百分比

		Coal Sales (tons) 煤炭銷售 (噸)	Coal Sales in % 煤炭銷售 百分比
Large Coal	大塊煤	218,999	11.63
Middle Coal	中塊煤	401,501	21.31
Nucleus Coal	煤核	350,314	18.60
Slack Coal	末煤	840,341	44.61
Mixed Coal	混煤	72,698	3.85
Total Sales	銷售總量	1,883,853	100.00

Reserves and Resources

The Group owns two mining rights in the Xinjiang, PRC including Kaiyuan Openpit Coal Mine and Zexu Openpit Coal Mine. The coal reserve remaining of Kaiyuan Mine was 18.5 millions tons as at 31 March 2011. The explorations of Zexu Mine was in progress, no development or production activity has taken place at this stage and the production will be commenced in year 2015. The following tables are the estimated coal reserves for the Kaiyuan Openpit Coal Mine and estimated Coal Resources for the Zexu Openpit Coal Mine Exploration Rights area as at the year 2010 conducted by John T. Boyd Company in June 2010.

儲量及資源

本集團於中國新疆擁有兩大採礦權包括凱源露天煤礦及澤旭露天煤礦。於二零一一年三月三十一日, 凱源煤礦之剩餘煤礦儲量為18,500,000噸。澤旭煤礦曾進行勘探, 現階段並無開發或生產活動, 惟將於二零一五年開始生產。下表為由John T. Boyd Company於二零一零年六月就二零一零年凱源露天煤礦之估計煤礦儲量及澤旭露天煤礦勘探權之估計煤礦資源所編製。

SEGMENT INFORMATION (continued)

Reserves and Resources (continued)

Estimated coal reserves for the Kaiyuan Openpit Coal Mine are:

分類資料(續)

儲量及資源(續)

凱源露天煤礦之估計煤礦儲量如下：

Seam Bench	煤層	Average Mineable Seam Thickness (m) 可開採煤層平均厚度(米)總計 (Coal/Parting) (煤層/夾層)	Marketable Reserves (tons-millions) As of 31 March 2010 可售儲量(百萬噸) 截至二零一零年三月三十一日				% of Total 佔總計百分比
			Proved 證實	Probable 預可採	Total 總計		
North of Current Pit (Potentially Oxidized) 現有礦坑以北(有可能氧化)							
B ₂	B ₂	13.1	–	4.58	4.58	100.00	
Mine Plan Area 礦山規劃範圍							
B ₃	B ₃	10.8	3.57	–	3.57	25.00	
B ₂	B ₂	19.6	10.86	–	10.86	75.00	
Total	總計		14.43	–	14.43	100.00	
Total 總計							
B ₃	B ₃	10.8	3.57	–	3.57	19.00	
B ₂	B ₂	17.7	10.86	4.58	15.44	81.00	
Total	總計		14.43	4.58	19.01	100.00	

Approximately 75% of the total reserves are classified as Proved.

總儲量約75%分類為證實。

SEGMENT INFORMATION (continued)

Reserves and Resources (continued)

Estimates of Coal Resources for the Zexu Openpit Coal Mine Exploration Rights area total 119.38 Mt, as summarized below:

分類資料(續)

儲量及資源(續)

澤旭露天煤礦勘探權範圍之估計煤礦資源合共119,380,000噸，概述如下：

Seam	煤層	Average Mineable Seam Thickness (m) 可開採煤層 平均厚度(米)	Marketable Resources (tons-millions) 可售資源(百萬噸)			% of Resources 佔資源 百分比
			Measured 探明	Indicated 控制	Total 總計	
B ₇	B ₇	8.5	10.23	10.46	20.69	17.33
B ₆	B ₆	3.9	2.77	3.98	6.75	5.65
B ₅	B ₅	6.3	5.80	10.42	16.22	13.59
B ₄ ¹	B ₄ ¹	1.8	0.29	0.01	0.30	0.25
B ₄	B ₄	6.1	6.85	10.21	17.06	14.29
B ₃	B ₃	6.3	8.06	8.03	16.09	13.48
B ₂	B ₂	21.1	22.58	19.69	42.27	35.41
Total	總計		56.58	62.80	119.38	100.00

Costs of Sales

The cost of sales for the year was HK\$104,357,000. The following table set forth the production costs in different categories.

銷售成本

年內銷售成本為104,357,000港元。下表載列不同分類之生產成本。

		HK\$ 港元
Materials, fuel, and power	原材料、燃料及電力	46,296,000
Machinery rental	機械租賃	37,983,000
Environmental and exploration	環境及勘探	4,144,000
Personnel expenses	人員開支	3,730,000
Depreciation and amortization	折舊及攤銷	9,976,000
Other expenses	其他開支	2,228,000
Total Costs of Sales	總銷售成本	104,357,000

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 2011. Ratio analysis by geographical segments for the Group's turnover for the year ended 31 March 2011 is as follows :

	Europe 歐洲		Hong Kong 香港		PRC (other than Hong Kong) 中國(不包括香港)		
	2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	
	%	%	%	%	%	%	
Segment turnover: to total turnover	分類營業額： 佔總營業額	0	1.17	0	5.33	100	93.50

分類資料(續)

地區分類

截至二零一一年三月三十一日止年度，香港及中國(不包括香港)為本集團之主要地區分類。本集團截至二零一一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：

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2011, the Group had:

- net current assets of approximately HK\$235,054,000 (2010: approximately HK\$114,852,000).
- bank balances and cash of approximately HK\$225,857,000 (2010: approximately HK\$286,711,000) which were the major components of the Group's current assets of approximately HK\$267,242,000 (2010: approximately HK\$363,530,000).
- current liabilities of approximately HK\$32,188,000 (2010: approximately HK\$248,678,000) which were mainly composed of amount due to a minority shareholder approximately HK\$28,500,000 for the year ended 31 March 2010 (2011: Nil) and convertible loan notes (liability component only) with carrying amount of approximately HK\$180,410,000 for the year ended 31 March 2010 (2011: Nil).
- non-current liabilities of approximately HK\$227,128,000 (2010: approximately HK\$35,154,000) which were mainly composed of deferred tax liability of HK\$24,069,000 (2010: HK\$33,364,000) and the extended convertible loan notes at fair value approximately HK\$201,186,000 (2010: Nil).

流動資金及財務資源

於二零一一年三月三十一日，本集團有：

- 流動資產淨值約235,054,000港元(二零一零年：約114,852,000港元)。
- 銀行結存及現金約225,857,000港元(二零一零年：約286,711,000港元)，為本集團流動資產約267,242,000港元(二零一零年：約363,530,000港元)之主要組成部分。
- 流動負債約32,188,000港元(二零一零年：約248,678,000港元)，主要包括截至二零一零年三月三十一日止年度之應付一名少數股東款項約28,500,000港元(二零一一年：無)及截至二零一零年三月三十一日止年度之賬面值為約180,410,000港元(二零一一年：無)之可換股借貸票據(僅指負債部分)。
- 非流動負債約227,128,000港元(二零一零年：約35,154,000港元)，主要包括遞延稅項負債24,069,000港元(二零一零年：33,364,000港元)及按公平值計算之延期可換股借貸票據約201,186,000港元(二零一零年：無)。

LIQUIDITY AND FINANCIAL RESOURCES (continued)

Since the convertible loan notes was a component of long term liabilities for the year ended 31 March 2011 but current liabilities in 2010, the Group's gearing ratio was greatly increased to approximately 172.48% (2010: 19.38%). The computation is based on long-term borrowings of the Group divided by shareholder's equity before non-controlling interests as at 31 March 2011.

Charges on Group's Assets

As at the financial year ended 31 March 2011, none of trade receivables was pledged to secure the borrowing (2010: Nil), no leasehold land and buildings or investment properties of the Group were pledged to secure general banking facilities granted to the Group (2010: Nil).

SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITIONS

On 3 July 2009, the Group completed the acquisition of 51% equity interest in Star Fortune International Investment Company Limited, 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. On 17 August 2010, the Group completed the acquisition of further 49% equity interest from the joint venture partner in respect of our existing mining interest in Xinjiang Province, at an aggregate consideration of HK\$52,733,000 including legal and professional fees amounting to approximately HK\$2,733,000. The gross margin and the operating profit of coal mine business diminished to 0.07% (2010: 0.27%) and HK\$71,000 (2010: HK\$234,000) respectively, due to the adverse effect of significant increased in production cost during the year 2011 and sluggish market activities in the first and second quarter of the year. Although strong business rebound was encountered in the third quarter and last quarter, the results was still discouraging, we are positive about the future business result with our new management team in PRC.

DISCONTINUED OPERATION

During the year ended 31 March 2011, there was no discontinued operation in the Group.

流動資金及財務資源(續)

由於可換股借貸票據於截至二零一一年三月三十一日止年度屬長期負債部分而於二零一零年屬流動負債部分，故本集團之資產負債比率大幅增至約172.48%(二零一零年：19.38%)，按本集團於二零一一年三月三十一日之長期借貸除以扣除非控股權益前之股東權益計算。

集團資產抵押

於截至二零一一年三月三十一日止財政年度，並無就借貸抵押應收貨款(二零一零年：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(二零一零年：無)。

重要投資及重大收購

於二零零九年七月三日，本集團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。於二零一零年八月十七日，本集團就於新疆省現有採礦權完成進一步收購合營企業夥伴49%股本權益，總代價為52,733,000港元，包括法律及專業費用約2,733,000港元。由於二零一一年年內生產成本大幅增加及年內第一、二季度市場活動疲弱造成之不利影響，煤礦業務之毛利及經營溢利分別減少至0.07%(二零一零年：0.27%)及71,000港元(二零一零年：234,000港元)。儘管第三季度及最後一季業務出現強勁反彈，惟業績表現仍未如理想。由於我們已於中國建立新管理團隊，故對未來業績深感樂觀。

終止經營業務

於截至二零一一年三月三十一日止年度，本集團概無終止任何業務。

FOREIGN EXCHANGE EXPOSURE

The Group mainly earns revenue in RMB and incurs costs in RMB and Hong Kong dollars. The Group is exposed to foreign exchange risk based on fluctuations between the Hong Kong dollars and the RMB arising from its core operation in the PRC. In order to limit this foreign currency risk exposure, the Group maintained cash balance that approximate three to four months' of operating cash flows.

TREASURY POLICIES

The Group generally finances its operation with internal generated resources.

CONTINGENT LIABILITIES

As at 31 March 2011, the Group did not have any contingent liabilities (2010: Nil).

EMPLOYEES

As at 31 March 2011, the Group had 115 employees (2010: 115) 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.

外匯風險

本集團之收益主要以人民幣計值，而開支則以人民幣和港元計值。本集團面對其於中國之核心業務所產生之港元及人民幣間波動之外匯風險。為限制該外匯風險，本集團持有可滿足其約三至四個月經營現金流量之現金結餘。

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

於二零一一年三月三十一日，本集團並無任何或然負債(二零一零年：無)。

僱員

於二零一一年三月三十一日，本集團共有僱員115名(二零一零年：115名)，遍佈香港、中國及德國。本集團與僱員一直保持良好業務關係。本集團已採用一套完備之僱員培訓政策，並資助高級行政人員進修高等教育課程。本集團已採納購股權計劃，據此，本集團若干僱員可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 56, 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 59, 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 of Hong Kong Limited. 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 42, 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 is also now a partner of Messrs. Anthony Siu & Co., a law firm in Hong Kong. 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 of Hong Kong Limited.

執行董事

羅方紅女士，56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。羅女士現時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，59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。王先生現為香港聯合交易所有限公司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，42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)。關先生現為香港律師事務所蕭一峰律師行之合夥人。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香港聯合交易所有限公司主板及創業板上市之經驗。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lam Ka Wai, Graham, aged 43, 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 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 17 years experience in investment banking as well as around 4 years experience in accounting and auditing. Mr. Lam is also the independent non-executive director of Cheuk Nang (Holdings) Limited, Applied Development Holdings Limited, China Fortune Group Limited, Pearl Oriental Innovation Limited and Value Convergence Holdings Limited, companies listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"); and China Railway Logistics Limited and Trasy Gold Ex Limited, companies listed on The Growth Enterprise Market of the Stock Exchange. In addition, Mr. Lam was the independent non-executive director of China Oriental Culture Group Limited (formerly known as ZZNode Technologies Company Limited), a company listed on the Main Board of the Stock Exchange from 29 January 2008 to 5 October 2010 and Finet Group Limited and Hao Wen Holdings Limited, companies listed on The Growth Enterprise Market of the Stock Exchange from 5 August 2009 to 24 January 2011 and from 17 November 2010 to 16 May 2011 respectively.

Mr. Wong Man Hin, Raymond, aged 45, 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 of Hong Kong Limited (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 from 11 December 2006 to 5 August 2009 and BEP International Holdings Limited from 9 October 2007 to 5 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 from 17 August 2007 to 25 February 2008, a company listed on the Growth Enterprise Market of the Stock Exchange.

獨立非執行董事

林家威先生，43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。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十七年經驗，於會計及審核方面亦擁有約四年經驗。林先生亦為香港聯合交易所有限公司（「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、東方明珠創業有限公司及滙盈控股有限公司之獨立非執行董事。林先生亦為聯交所創業板上市公司中國鐵路貨運有限公司及卓施金網有限公司之獨立非執行董事。此外，林先生亦曾於二零零八年一月二十九日至二零一零年十月五日期間擔任聯交所主板上市公司中國東方文化集團有限公司（前稱為直真科技有限公司）之獨立非執行董事及曾分別於二零零九年八月五日至二零一一年一月二十四日及二零一零年十一月十七日至二零一一年五月十六日期間擔任聯交所創業板上市公司財華社集團有限公司及皓文控股有限公司之獨立非執行董事。

黃文顯先生，45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。黃先生為香港聯合交易所有限公司（「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十一日至二零零九年八月五日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九日至二零零九年六月五日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十七日至二零零八年二月二十五日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。

INDEPENDENT NON-EXECUTIVE DIRECTORS
(continued)

Mr. Chan Yiu Fai, Youdey, aged 42, 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.

SENIOR MANAGEMENT

Ms. Hung Che Wan, aged 49, is the company secretary of the Company appointed on 14 March 2011. Ms. Hung graduated from the University of Stirling Scotland with bachelor degree in accounting. Ms. Hung is a fellow of the Hong Kong Institute of Certified Public Accountants and has over 20 years of commercial experience in business management and administration.

獨立非執行董事(續)

陳耀輝先生，42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。

高級管理人員

洪芝雲女士，49歲，於二零一一年三月十四日獲委任為本公司之公司秘書。洪女士畢業於蘇格蘭斯特靈大學，持有會計學士學位。洪女士為香港會計師公會資深會員，並於業務管理及行政方面擁有逾二十年商業經驗。

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 of Hong Kong Limited (the “Listing Rules”) throughout the year ended 31 March 2011 (“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 six 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	董事姓名	出席會議次數
Executive Directors:			
Lo Fong Hung (Chairperson and Managing Director)	5	羅方紅 (主席兼董事總經理)	5
Wang Xiangfei	6	王翔飛	6
Kwan Man Fai	1	關文輝	1
Independent Non-executive Directors:			
Wong Man Hin, Raymond	2	黃文顯	2
Lam Ka Wai, Graham	2	林家威	2
Chan Yiu Fai, Youdey	1	陳耀輝	1

企業管治承諾

本公司致力保持法定及法規標準，並謹守強調透明、獨立、問責、負責任及公允之企業管治原則。本公司於截至二零一一年三月三十一日止年度(「回顧年度」)一直應用香港聯合交易所有限公司證券上市規則(「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，董事會曾舉行六次會議，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，個別董事之出席記錄如下：

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. Upon expired of their service agreements on 24 March 2011, their service agreements have been extended for 3 years commencing on 25 March 2011. 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 2011.

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。於二零一一年三月二十四日該等服務協議屆滿時，彼等之服務協議已從二零一一年三月二十五日起計延期三年。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，彼等於截至二零一一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，不應由同一個別人土擔任。

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會同時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，故此管理架構更適合本公司。

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
Wong Man Hin, Raymond	1
Lam Ka Wai, Graham	1
Chan Yiu Fai, Youdey	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 2011, 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 Independent Auditor's Report on page 28 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，個別成員之出席記錄如下：

成員姓名	出席會議次數
關文輝(主席)	1
黃文顯	1
林家威	1
陳耀輝	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。於二零一一年三月三十一日，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28頁之獨立核數師報告。

AUDITOR'S REMUNERATION

For the year ended 31 March 2011, 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:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Audit services	審核服務	740	680
Non-audit and taxation services	非審核及稅務服務	8	26
Total	總計	748	706

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
Wong Man Hin, Raymond	2
Chan Yiu Fai, Youdey	1

核數師酬金

截至二零一一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：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Audit services	審核服務	740	680
Non-audit and taxation services	非審核及稅務服務	8	26
Total	總計	748	706

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，個別成員之出席記錄如下：

成員姓名	出席會議 次數
林家威(主席)	2
黃文顯	2
陳耀輝	1

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.

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 10 August 2010.

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。

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交流意見。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二零一零年八月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 2011.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (the “Group”) are mining, sales and distribution of coal.

CHANGE OF COMPANY NAME

By a special resolution passed on 11 March 2011, the name of the Company was changed from “China Sonangol Resources Enterprise Limited” to “International Resources Enterprise Limited” and the Company adopted the Chinese name “國際資源實業有限公司” as Chinese secondary name of the Company.

RESULTS AND DIVIDENDS

The Group’s results for the year ended 31 March 2011 and the state of affairs of the Company and the Group at that date are set out in the consolidated financial statements on pages 30 to 122. 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 non-controlling interests of the Group for the last five financial years, as extracted from the audited financial statements is set out on pages 123 to 124 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 15 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 note 27 and 34 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 26 to the consolidated financial statements.

本公司董事謹此提呈本公司及本集團截至二零一一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」)之主要業務為煤炭開採、銷售及分銷業務。

更改公司名稱

本公司於二零一一年三月十一日通過特別決議案，將本公司名稱由「China Sonangol Resources Enterprise Limited」改為「International Resources Enterprise Limited」，並採納中文名稱「國際資源實業有限公司」為本公司之第二中文名稱。

業績及股息

本集團截至二零一一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30至122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、資產及負債以及非控股權益概要(節錄自經審核財務報表)載於年報第123至124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15。

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27及34。

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26。

CONNECTED TRANSACTIONS

For the years ended 31 March 2011, there was no management incomes received from any connected persons (2010: HK\$5,000,000).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the bye-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.

RESERVES

Details of movements in the reserves of the Company and the Group during the year are set out in note 36(b) to the consolidated financial statements and in the consolidated statements of changes in equity respectively.

DISTRIBUTABLE RESERVES

At 31 March 2011, 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 32% of the total sales for the year and sales to the largest customer included therein amounted to 8%. Purchases from the Group's five largest suppliers accounted for 97% of the total purchases for the year and purchases from the largest supplier included therein amounted to 33%.

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

關連交易

於截至二零一一年三月三十一日止年度，並未向任何關連人士收取任何管理費收入(二零一零年：5,000,000港元)。

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。

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36(b)及綜合權益變動表。

可供分派儲備

於二零一一年三月三十一日，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32%，而當中最大客戶之銷售額則佔8%。本集團五大供應商之採購額佔全年總採購額97%，而當中最大供應商之採購額則佔33%。

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

DIRECTORS (continued)

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, Ms. Lo Fong Hung and Mr. Lam Ka Wai, Graham 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 13 and 15 of the annual report.

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 2011.

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

As at 31 March 2011, 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:

董事(續)

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，羅方紅女士及林家威先生將輪值退任，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13至15頁。

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二零一一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

於二零一一年三月三十一日，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：

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES AND UNDERLYING SHARES (continued)

Long position

Interests in an associated corporation of the Company

董事及主要行政人員之股份及相關股份權益(續)

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%
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%

(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 of the Company, 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 of the Company and a HK\$200,000,000 convertible bond giving rise to an interest in 1,000,000,000 underlying shares of the Company

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。
- 本公司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，羅女士於本公司569,616,589股股份及導致彼於1,000,000,000股本公司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 34 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.

董事購買股份或債券之權利

除綜合財務報表附註34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。

SHARE OPTION SCHEME

Particulars of the Company's share option scheme are set out in note 34 to the consolidated financial statements.

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2011, 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	Notes	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 (Note 6) 佔本公司已發行股本概約百分比 (附註6)
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	
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 Investments Ltd	5	Beneficial owner 實益擁有人	45,000,000	-	45,000,000	5.88%
Mr. Lev Leviev Lev Leviev先生	5	Beneficial owner 實益擁有人	1,000,000	-	1,000,000	0.13%
	5	Interests of controlled corporation 受控制法團之權益	74,000,000	-	74,000,000	9.67%

Notes:

- 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 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.

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34。

主要股東

於二零一一年三月三十一日，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

附註：

- 晉標於569,616,589股股份中擁有直接權益，並於可換股債券按轉換價0.20港元轉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。

SUBSTANTIAL SHAREHOLDERS (continued)

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

Notes: (continued)

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% interest 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. For the shares held by Mr. Lev Leviev, of these shares, 45,000,000 shares were held by Africa Israel Investments 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.
6. The approximate percentage of shareholdings is based on 765,373,584 shares as at 31 March 2011, not the enlarged issued share capital of the Company upon full conversion of the convertible bond.

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 2011 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 in pages 16 to 20.

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.

主要股東(續)

於本公司股份或相關股份之好倉(續)

附註：(續)

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. 就Lev Leviev先生所持有股份而言，該等股份中之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 Investments 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。
6. 持股概約百分比根據二零一一年三月三十一日之765,373,584股股份計算，而非根據於可換股債券獲悉兌換後本公司之經擴大已發行股本計算。

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16至20頁之企業管治報告所披露偏離行為外，本公司於截至二零一一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。

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 will hold office as the auditor of the Company until the conclusion of the forthcoming annual general meeting.

On behalf of the Board

Lo Fong Hung

Chairperson and Managing Director
Hong Kong, 20 June 2011

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

信永中和(香港)會計師事務所有限公司擔任本公司核數師職務直至應屆股東週年大會結束為止。

代表董事會

羅方紅

主席兼董事總經理
香港，二零一一年六月二十日

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 MEMBERS OF INTERNATIONAL RESOURCES ENTERPRISE LIMITED (FORMERLY KNOWN AS CHINA SONANGOL RESOURCES ENTERPRISE LIMITED)

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of International Resources Enterprise Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 30 to 122 which comprise the consolidated statement of financial position as at 31 March 2011, 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 information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view 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, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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 about whether the consolidated financial statements are free from material misstatement.

致國際資源實業有限公司(前稱安中資源實業有限公司)股東

(於百慕達註冊成立之有限公司)

我們已完成審核第30至122頁所載國際資源實業有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表,其中包括於二零一一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,並負責董事確認屬必要之有關內部控制,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。

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 judgement, 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 of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 March 2011 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

20 June 2011

審核涉及執行情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，以設計按適當情況之審核程序，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 貴集團於二零一一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

二零一一年六月二十日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

		NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Turnover	營業額	7	104,428	96,090
Cost of sales and services provided	銷售及提供服務之成本		(104,357)	(88,012)
Gross profit	毛利		71	8,078
Other operating income	其他經營收入		3,088	2,752
Impairment loss on goodwill	商譽減值虧損	17	(15,065)	(5,400)
Impairment loss on intangible assets	無形資產減值虧損	16	(41,595)	–
Net gain on deregistration of a subsidiary	一間附屬公司撤銷註冊之收益淨額	31	408	–
Selling and distribution expenses	銷售及分銷費用		(1,165)	(3,164)
Administrative expenses	行政費用		(17,396)	(15,317)
Change in fair value of convertible loan notes	可換股借貸票據之公平值變動	26	(1,186)	–
Finance costs	融資成本	9	(19,845)	(18,756)
Loss before tax	除稅前虧損		(92,685)	(31,807)
Income tax credit (expense)	所得稅抵免(開支)	10	10,730	(2,163)
Loss for the year	年內虧損	11	(81,955)	(33,970)
Other comprehensive income (expense)	其他全面收入(開支)			
Exchange difference arising on translation of overseas operation and net income (expense) 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(開支)淨額		3,717	(419)
Other comprehensive income (expense) for the year (net of tax)	年內其他全面收入(開支)(扣除稅項)		3,717	(419)
Total comprehensive expense for the year	年內全面開支總額		(78,238)	(34,389)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (continued)

綜合全面收益表(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

		NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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		(81,094)	(31,789)
– Non-controlling interests	– 非控股權益		(861)	(2,181)
			(81,955)	(33,970)
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		(77,377)	(32,071)
– Non-controlling interests	– 非控股權益		(861)	(2,318)
			(78,238)	(34,389)
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)	13	(10.60)	(4.15)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 March 2011 於二零一一年三月三十一日

		NOTES	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	26,345	23,626
Intangible assets	無形資產	16	95,480	139,168
Goodwill	商譽	17	–	15,065
Security deposit	保證按金	18	1,930	1,844
			123,755	179,703
Current assets	流動資產			
Inventories	存貨	19	36,701	63,407
Trade and other receivables	應收貨款及其他應收款項	20	4,684	13,412
Bank balances and cash	銀行結存及現金	21	225,857	286,711
			267,242	363,530
Current liabilities	流動負債			
Trade and other payables	應付貨款及其他應付款項	22	31,615	39,600
Amounts due to related companies	應付關連公司款項	23	–	168
Amount due to shareholder of a subsidiary	應付一間附屬公司股東款項	24	–	28,500
Amount due to ultimate holding company	應付最終控股公司款項	25	573	–
Convertible loan notes	可換股借貸票據	26	–	180,410
			32,188	248,678
Net current assets	流動資產淨值		235,054	114,852
Total assets less current liabilities	總資產減流動負債		358,809	294,555

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

綜合財務狀況報表(續)

At 31 March 2011 於二零一一年三月三十一日

		NOTES	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
		附註		
Capital and reserves	股本及儲備			
Share capital	股本	27	76,537	76,537
Reserves	儲備		55,144	104,860
Equity attributable to owners of the Company	本公司擁有人應佔權益		131,681	181,397
Non-controlling interests	非控股權益		–	78,004
			131,681	259,401
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	28	24,069	33,364
Convertible loan notes designated as financial liabilities at fair value through profit or loss (“FVTPL”)	指定為按公平值列賬並在損益內處理(「按公平值列賬並在損益內處理」)之金融負債之可換股借貸票據	26	201,186	–
Provision for close down, restoration and environmental costs	關閉、復墾及環境成本撥備	29	1,873	1,790
			227,128	35,154
			358,809	294,555

The consolidated financial statements on pages 30 to 122 were approved and authorised for issue by the board of directors on 20 June 2011 and are signed on its behalf by:

列載於30至122頁之綜合財務報表於二零一一年六月二十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

Wang Xiangfei

王翔飛

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 2011 截至二零一一年三月三十一日止年度

		Share capital	Share premium	Convertible loan notes reserve	Capital reserve	Reserve and enterprise expansion funds	Exchange translation reserve	Special Reserve	Accumulated losses	Total	Non-controlling interests	Total
		股本	股份溢價	可換股借貸票據儲備	資本儲備	儲備及企業擴展基金	匯兌儲備	特別儲備	累計虧損	總額	非控股權益	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
						(Note a) (附註a)	(Note b) (附註b)					
At 1 April 2009	於二零零九年四月一日	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)	-	-	-
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
Loss for the year	年內虧損	-	-	-	-	-	-	-	(81,094)	(81,094)	(861)	(81,955)
Other comprehensive expense for the year	年內其他全面開支	-	-	-	-	-	3,717	-	-	3,717	-	3,717
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	-	3,717	-	(81,094)	(77,377)	(861)	(78,238)
Addition on acquisition of subsidiaries	收購附屬公司時添置	-	-	-	-	-	-	27,143	-	27,143	(77,143)	(50,000)
Deregistration of a subsidiary	一間附屬公司撤銷註冊	-	-	-	-	-	518	-	-	518	-	518
Release during the year upon expiring of convertible loan notes	可換股借貸票據屆滿時於年內撥回	-	-	(55,495)	-	-	-	-	55,495	-	-	-
At 31 March 2011	於二零一一年三月三十一日	76,537	191,534	-	14,882	5,354	2,963	27,143	(186,732)	131,681	-	131,681

Note:

- (a) 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.
- (b) The amount in special reserve represents the difference between the consideration paid for further 49% equity interest in Star Fortune International Investment Co. Limited ("Star Fortune") and the decrease in the carrying amount of the non-controlling interests of Star Fortune.

附註：

- (a) 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。
- (b) 特別儲備金額相當於進一步收購星力富鑫國際投資有限公司(「星力富鑫」)49%股本權益已付代價與星力富鑫非控股權益賬面值減值間之差額。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the Year Ended 31 March 2011 截至二零一一年三月三十一日止年度

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Loss before tax	除稅前虧損	(92,685)	(31,807)
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)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	2,979	1,677
Amortisation of intangible assets	無形資產攤銷	6,693	3,201
Finance costs	融資成本	19,845	18,756
Impairment loss on goodwill	商譽之減值虧損	15,065	5,400
Impairment loss on intangible assets	無形資產之減值虧損	41,595	-
Gain on deregistration of subsidiaries	附屬公司撤銷註冊之收益	(408)	-
Fair value change in convertible bond designated at fair value through profit and loss	指定按公平值列賬並在損益內處理之可換股債券之公平值變動	1,186	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	47	100
Interest income	利息收入	(418)	(120)
Waiver of long outstanding trade payables	豁免長期未償還應付貨款	(809)	-
Write down of inventories	撇減存貨	-	16,800
Operating cash flow before movements in working capital	營運資金變動前之經營現金流量	(6,910)	13,454
Decrease (increase) in inventories	存貨減少(增加)	26,706	(8,266)
Decrease in trade and other receivables	應收貨款及其他應收款項減少	6,612	18,399
Decrease in trade and other payables	應付貨款及其他應付款項減少	(5,168)	(25,074)
Increase in amount due to ultimate holding company	應付最終控股公司款項增加	573	-
Decrease in provision for close down, restoration and environmental costs	關閉、復墾及環境成本撥備減少	-	(4,816)
Decrease in amounts due to related companies	應付關連公司款項增加	(168)	(3,056)
Cash generated from (used in) operations	經營業務所得(所用)現金	21,645	(9,359)
Overseas tax paid	已繳海外稅項	(107)	(5,029)
NET CASH FROM (USED IN) OPERATING ACTIVITIES	經營業務所得(所用)現金淨額	21,538	(14,388)

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

綜合現金流量表(續)

For the Year Ended 31 March 2011 截至二零一一年三月三十一日止年度

		NOTES 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
INVESTING ACTIVITIES	投資業務			
Acquisition of further interest in subsidiaries	進一步收購附屬公司權益	30	(50,000)	–
Repayment of amount due to shareholder of a subsidiary	償還應付一間附屬公司股東款項		(28,500)	–
Additions of property, plant and equipment	添置物業、廠房及設備		(4,699)	(6,447)
Deregistration of a subsidiary	一間附屬公司撤銷註冊		(3)	–
Interest received	已收利息		418	120
Proceeds on disposal of property, plant and equipment	出售物業、廠房及設備之所得款項		73	30
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)	30	–	(69,605)
Increase in security deposit	保證按金增加		–	(1,844)
NET CASH USED IN INVESTING ACTIVITIES	投資業務所用現金淨額		(82,711)	(77,746)
FINANCING ACTIVITIES	融資業務			
Interest paid	已付利息		(255)	(217)
NET CASH USED IN FINANCING ACTIVITIES	融資業務所用現金淨額		(255)	(217)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目之減少淨額		(61,428)	(92,351)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初之現金及現金等值項目		286,711	378,997
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響		574	65
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		225,857	286,711

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

1. GENERAL

International 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”), a company incorporated in the British Virgin Islands with limited liability and the Group’s ultimate holding company is China Sonangol International Limited (“China Sonangol”), a company 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\$”). For the year ended 31 March 2010, the management of the Company had considered HK\$ as the functional currency of the Company. As the turnover and results are contributed by the mining, sales and distribution of coal business during the year ended 31 March 2011 while the other segments remain inactive as a result of strategic shift in the business focus of Group, the directors of the Company are of the view that the functional currency of the Company has been changed from HK\$ to Renmenbi (“RMB”) from 1 April 2010 onwards. The presentation currency of the Company and the Group would remain to be in HK\$ for consistent presentation and the use of investors.

The principal activity of the Company and its subsidiaries (the “Group”) is the mining, sales and distribution of coal.

Pursuant to a special resolution passed at the special general meeting held on 11 March 2011, the name of the Company was changed from China Sonangol Resources Enterprise Limited (安中資源實業有限公司) to International Resources Enterprise Limited (國際資源實業有限公司). 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 16 March 2011.

1. 一般資料

國際資源實業有限公司(「本公司」)為一間於百慕達註冊成立之獲豁免有限公司，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」，為於英屬處女群島註冊成立之有限公司)，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」，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。截至二零一零年三月三十一日止年度，本公司管理層以港元作為本公司功能貨幣。由於截至二零一一年三月三十一日止年度之營業額及業績由煤炭開採、銷售及分銷業務貢獻，而其他分類則由於本集團業務重心之策略轉移仍暫無業務，本公司董事認為，本公司功能貨幣已自二零一零年四月一日起由港元更改為人民幣(「人民幣」)。但本公司及本集團將繼續以港元作為呈列貨幣，以與呈列保持一致及便於投資者使用。

本公司及其附屬公司(「本集團」)之主要業務為煤炭開採、銷售及分銷業務。

根據於二零一一年三月十一日舉行之股東特別大會通過之一項特別決議案，本公司由China Sonangol Resources Enterprise Limited(安中資源實業有限公司)易名為International Resources Enterprise Limited(國際資源實業有限公司)。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，更改名稱於二零一一年三月十六日生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一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 the following new and revised standards, amendments to standards and interpretations (“INTs”) (herein collectively referred to as “new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

HKFRSs (Amendments)	Improvements to HKFRSs 2009
HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs 2008
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
Hong Kong Accounting Standard (“HKAS”) 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 32 (Amendment)	Classification of Rights Issues
HKAS 39 (Amendment)	Eligible Hedged Items
HK (IFRIC) – INT 17	Distributions of Non-cash Assets to Owners
HK – INT 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

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.

HKFRS 3 (Revised) Business Combinations

The Group applies HKFRS 3 (Revised) Business Combinations prospectively to business combinations for which the acquisition date is on or after 1 April 2010. The requirements in HKAS 27 (Revised) Consolidated and Separate Financial Statements in relation to accounting for changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1 April 2010.

Results of the Group in future periods, may be affected by future transactions for which HKFRS 3 (Revised), HKAS 27 (Revised) and the consequential amendments to the other HKFRSs are applicable.

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，本集團已採用下列由香港會計師公會(「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(「詮釋」)(統稱「新訂及經修訂香港財務報告準則」)。

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
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
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
香港財務報告準則第3號(經修訂)	業務合併
香港會計準則(「香港會計準則」)第27號(經修訂)	綜合及獨立財務報表
香港會計準則第32號(修訂本)	供股分類
香港會計準則第39號(修訂本)	合資格對沖項目
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
香港 – 詮釋第5號	財務報表的呈報 – 根據含有按要求還款條款之定期貸款借款人分類

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。

香港財務報告準則第3號(經修訂)業務合併

本集團已追溯應用香港財務報告準則第3號(經修訂)業務合併於收購日期為二零一零年四月一日或之後的業務合併。本集團亦就二零一零年四月一日或之後的交易，追溯應用香港會計準則第27號(經修訂)綜合及獨立財務報表有關取得控制權後附屬公司擁有權益之變動及喪失對附屬公司控制權之會計處理方法規定。

香港財務報告準則第3號(經修訂)、香港會計準則第27號(經修訂)及因而對其他香港財務報告準則所作出之修訂適用之日後交易可能會對本集團未來期間之業績造成影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

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

HKAS 27 (Revised 2008) Consolidated and Separate Financial Statements

The application of HKAS 27 (Revised 2008) has resulted in changes in the Group’s accounting policies regarding increases or decreases in ownership interests in subsidiaries of the Group. In prior years, in the absence of specific requirements in HKFRSs, increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised where appropriate. Under HKAS 27 (Revised 2008), all increases in such interests are dealt with in equity, with no impact on goodwill or profit or loss.

In addition, under HKAS 27 (as revised in 2008), the definition of non-controlling interest has been changed. Specifically, under the revised Standard, non-controlling interest is defined as the equity in a subsidiary not attributable, directly or indirectly, to a parent.

In respect of the acquisition of further 49% equity interest in Star Fortune during the year, the impact of the change in accounting policy has been that the difference of approximately HK\$27,143,000 between the consideration paid and the decrease in the carrying amount of the non-controlling interests has been recognised directly in equity (special reserve). Had the previous accounting policy been applied, this amount would have been recognised as gain on bargain purchase in the consolidated statement of comprehensive income. Therefore, the change in accounting policy has resulted in increase in loss for the year of approximately HK\$27,143,000 and increases in basic and diluted loss per share of 3.55 Hong Kong cents.

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)

香港會計準則第27號(二零零八年經修訂)綜合及獨立財務報表

應用香港會計準則第27號(二零零八年經修訂)已導致與本集團於附屬公司之擁有權權益增加或減少有關之會計政策發生變動。於過往年度，香港財務報告準則並無規定於現有附屬公司之權益增加按收購附屬公司之相同方式處理，商譽或議價購買收益於適當情況下確認。根據香港會計準則第27號(二零零八年經修訂)，有關權益之所有增加將於權益內處理，且不影響商譽或損益。

此外，根據香港會計準則第27號(二零零八年經修訂)，非控股權益之釋義發生變動。尤其是，根據經修訂準則，於附屬公司權益內確認之非控股權益，不直接或間接歸屬於母公司。

就年內進一步收購星力富鑫49%股本權益而言，會計政策變動之影響為已付代價與非控股權益賬面值減少約27,143,000港元之差額已直接於權益(特別儲備)內確認。由於應用過往之會計政策，故該等金額已於綜合全面收益表內確認為議價購買收益。因此，會計政策變動已導致年內虧損增加約27,143,000港元及每股基本及攤薄虧損增加3.55港仙。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

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

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

HKFRSs (Amendments)	Improvements to HKFRSs 2010 except for the amendments to HKFRS 3 (Revised in 2008), HKFRS 7, HKAS 1 and HKAS 28 ¹
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters ²
HKFRS 1 (Amendment)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters ⁴
HKFRS 7 (Amendments)	Disclosure – Transfers of Financial Assets ⁴
HKFRS 9	Financial Instruments ⁶
HKAS 12 (Amendment)	Deferred Tax: Recovery of Underlying Assets ⁵
HKAS 24 (Revised)	Related Party Disclosure ³
HK (IFRIC) – INT 14 (Amendment)	Prepayments of a Minimum Funding Requirement ³
HK (IFRIC) – INT 19	Extinguishing Financial Liabilities with Equity Instruments ²

¹ Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate.

² Effective for annual periods beginning on or after 1 July 2010.

³ Effective for annual periods beginning on or after 1 January 2011.

⁴ Effective for annual periods beginning on or after 1 July 2011.

⁵ Effective for annual periods beginning on or after 1 January 2012.

⁶ Effective for annual periods beginning on or after 1 January 2013.

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)

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)	二零一零年頒佈之香港財務報告準則之改進，惟香港財務報告準則第3號(二零零八年經修訂)、香港財務報告準則第7號、香港會計準則第1號及香港會計準則第28號之修訂除外 ¹
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 ²
香港財務報告準則第1號(修訂本)	嚴重通脹及為首次採納者刪除固定日期 ⁴
香港財務報告準則第7號(修訂本)	披露 – 金融資產轉讓 ⁴
香港財務報告準則第9號	金融工具 ⁶
香港會計準則第12號(修訂本)	遞延稅項：收回相關資產 ⁵
香港會計準則第24號(經修訂)	關連人士之披露 ³
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 ³
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 ²

¹ 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。

² 於二零一零年七月一日或之後開始之年度期間生效。

³ 於二零一一年一月一日或之後開始之年度期間生效。

⁴ 於二零一一年七月一日或之後開始之年度期間生效。

⁵ 於二零一二年一月一日或之後開始之年度期間生效。

⁶ 於二零一三年一月一日或之後開始之年度期間生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

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

HKFRS 9 Financial Instruments (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 Financial Instruments (as revised in November 2010) adds requirements for financial liabilities and for derecognition.

Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors anticipate that HKFRS 9 that will be adopted in the Group's consolidated financial statements for the annual period beginning 1 January 2013 and that the application of the new standard may have a significant impact on amounts reported in respect of the Group's financial assets. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

The directors of the Company anticipate that the application of other new and revise standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

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9號金融工具(二零零九年十一月經頒佈)引入金融資產分類及計量之新規定。香港財務報告準則第9號金融工具(二零一零年十一月經修訂)增加金融負債及終止確認之規定。

根據香港財務報告準則第9號，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其後按攤銷成本或公平值計量，尤其是就收取合約現金流量目的以業務模式持有及擁有合約現金流量之純粹目的為支付本金及未償還本金利息之債務投資，一般按其後會計期末之攤銷成本計量。所有其他債務投資及股本投資按會計期末之公平值計量。

金融負債之重大變化與指定為按公平值列賬並在損益內處理之金融負債有關。尤其是根據香港財務報告準則第9號，指定為按公平值列賬並在損益內處理之金融負債之公平值變動金額(歸屬於該等負債之信貸風險變動)於其他全面收入內列報，惟於其他全面收入確認之負債信貸風險變動影響可能引起或擴大損益內之會計錯配。歸屬於金融負債信貸風險之公平值變動其後並無重新分類至損益。過往，香港會計準則第39號規定，按公平值列賬並在損益內處理之金融負債公平值變動之全部金額於損益內列報。

香港財務報告準則第9號於二零一三年一月一日或之後開始之年度期間生效，並可提早採用。

董事預期，本集團將於二零一三年一月一日開始之年度期間的綜合財務報表內採用香港財務報告準則第9號，且採用該等新訂準則可能對列報本集團金融資產金額產生重大影響。然而，於完成詳細審閱前，該等影響無法合理估計。

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本集團業績及財務狀況造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

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. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

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.

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.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein.

3. 主要會計政策

綜合財務報表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。歷史成本一般按資產交易所給予代價之公平值計量。

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。

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。

附屬公司之非控股權益與本集團權益分開呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(a) Basis of consolidation (continued)

Allocation of total comprehensive income to non-controlling interests

Total comprehensive income and expense of a subsidiary is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. Prior to 1 April 2010, losses applicable to the non-controlling interests in excess of the non-controlling interests in the subsidiary's equity were allocated against the interests of the Group except to the extent that the non-controlling interests had a binding obligation and were able to make an additional investment to cover the losses.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries on or after 1 April 2010

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Changes in the Group's ownership interests in existing subsidiaries prior to 1 April 2010

Increases in interests in existing subsidiaries were treated in the same manner as the acquisition of subsidiaries, with goodwill or a bargain purchase gain being recognised where appropriate. For decreases in interests in subsidiaries, regardless of whether the disposals would result in the Group losing control over the subsidiaries, the difference between the consideration received and the carrying amount of the share of net assets disposed of was recognised in profit or loss.

3. 主要會計政策(續)

(a) 綜合賬目基準(續)

向非控股權益分配全面收入總額

一間附屬公司之全面收入及開支總額會計入本公司擁有人及非控股權益，儘管此會導致非控股權益出現虧絀結餘。於二零一零年四月一日之前，適用非控股權益之虧損超過於該附屬公司權益中之非控股權益之差額按本集團之權益分配，惟非控股權益須承擔約束性責任及有能力支付額外投資以彌補虧損則除外。

本集團於現有附屬公司之擁有權權益變動

本集團於二零一零年四月一日或之後在現有附屬公司之擁有權權益變動

本集團於附屬公司之擁有權權益變動若無導致本集團失去對有關附屬公司之控制權，則按權益交易入賬。本集團權益及非控股權益之賬面值作出調整，以反映其於附屬公司之相關權益變動。非控股權益之調整金額與已付或已收代價公平值間之任何差額直接於權益確認，並歸屬於本公司擁有人。

本集團於二零一零年四月一日之前在現有附屬公司之擁有權權益變動

於現有附屬公司之權益增加按與收購附屬公司之相同方式處理，並於合適時確認商譽或議價購買收益。就於附屬公司之權益減少而言，不論有關出售會否導致本集團失去有關附屬公司之控制權，已收代價與出售資產淨值應佔賬面值間之差額於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Business combinations

Business combinations that took place prior to 1 April 2010

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 met the relevant conditions for recognition were generally recognised at their fair value at the acquisition date.

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

The minority interest in the acquiree was initially measured at the minority interest's proportionate share of the recognised amount of the assets, liabilities and contingent liabilities of the acquiree.

3. 主要會計政策(續)

(b) 業務合併

於二零一零年四月一日前發生之業務合併

收購業務以購買法列賬。收購成本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。被收購公司符合確認條件之可識別資產、負債及或然負債一般按收購日期之公平值確認。

收購所產生商譽確認為資產，並初步按成本(即收購成本高於本集團於已確認可識別資產、負債及或然負債之權益之差額)計量。倘於重新評估後，本集團於被收購公司之可識別資產、負債及或然負債之權益高於收購成本，則高出數額會即時於損益確認。

少數股東於被收購公司之權益初步按少數股東於被收購公司已確認資產、負債及或然負債之應佔金額比例計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

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 is allocated to each of the Group's cash-generating units, or groups of cash-generating units, that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit, and then to the other assets of the unit on a pro rata basis based on of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the profit or loss in the consolidated statement of comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On 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.

3. 主要會計政策(續)

(c) 商譽

收購業務而產生之商譽按成本扣減任何累計減值虧損在綜合財務狀況報表獨立列賬。

為進行減值測試，商譽會被分配至預期因合併之協同效應而得益之本集團各個現金產生單位或現金產生單位組別。

獲分配商譽之現金產生單位會每年及於出現可能減值之跡象時進行減值測試。就於某個報告期間因收購而產生之商譽，獲分配商譽之現金產生單位於該財政年度完結前進行減值測試。倘現金產生單位之可收回金額少於其賬面值，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直接於綜合全面收益表之損益確認。已確認之商譽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

附屬公司之投資以成本值減任何已識別減值虧損於本公司財務狀況表列賬。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Intangible 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).

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss 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.

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.

3. 主要會計政策(續)

(e) 無形資產

於業務合併中收購之無形資產

於業務合併中收購之無形資產倘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於估計可使用年期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）。

終止確認無形資產

無形資產於出售或預計不會從使用或出售該項資產中獲得未來經濟利益時終止確認。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。

採礦權

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Exploration and evaluation assets

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.

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 assets are recognised at cost on initial recognition. Subsequent to initial recognition, exploration and evaluation assets are stated at cost less any accumulated impairment losses. 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.

3. 主要會計政策(續)

(f) 勘探及評估資產

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。

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。勘探及評估資產按初步確認之成本確認。初步確認後，勘探及評估資產按成本減任何累計減值虧損列賬。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採礦權並按上文「採礦權」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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

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.

3. 主要會計政策(續)

(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，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。

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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(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 instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified 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.

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.

3. 主要會計政策(續)

(h) 金融工具

金融資產及金融負債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)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)。收購按公平值列賬並在損益內處理之金融資產或金融負債直接應佔之交易成本於損益確認。

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按交易日基準確認及終止確認。定期購買或出售為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。

實際利息法

實際利息法為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)至賬面淨值之利率。

債務工具之利息收入按實際利息基準確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

Financial assets (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including 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 the reporting period. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For the Group's financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter into bankruptcy or financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

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 average credit period of 90 days, observable changes in national or local economic conditions that correlate with default on receivables.

3. 主要會計政策(續)

(h) 金融工具(續)

金融資產(續)

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，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等違約情況；或
- 借款人有可能面臨破產或財務重組；或
- 由於財政困難導致金融資產之活躍市場消失。

應收貨款及其他應收款項、資產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過平均信貸期90天之增加次數，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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

Financial assets (continued)

Impairment loss on financial assets (continued)

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)

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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

Financial liabilities and equity instruments

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

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The Group's financial liabilities are generally classified as FVTPL and 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.

Financial liabilities at FVTPL

Financial liabilities at FVTPL represented those designated as at FVTPL on initial recognition.

A financial liability is classified as held for trading if:

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

3. 主要會計政策(續)

(h) 金融工具(續)

金融負債及股權工具

集團實體發行之金融負債及股權工具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按公平值列賬並在損益內處理之金融負債及其他金融負債。

實際利息法

實際利息法為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。

利息開支按實際利息基準確認。

按公平值列賬並在損益內處理之金融負債

按公平值列賬並在損益內處理之金融負債為於初步確認時指定按公平值列賬並在損益內處理之金融負債。

倘符合以下條件，某項金融負債分類為持作買賣：

- 其發生之主要目的為於不久將來購回；或
- 於初步確認時為本集團聯合管理的已識別金融工具組合之一部分，而近期出現短期獲利之實際模式；或
- 為不指定及有效作為對沖工具之衍生工具。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Financial liabilities at FVTPL (continued)

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (assets or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss includes any interest paid on the financial liabilities.

Other financial liabilities

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

3. 主要會計政策(續)

(h) 金融工具(續)

金融負債及股權工具(續)

按公平值列賬並在損益內處理之金融負債(續)

倘符合下列條件，金融負債(持作買賣之金融負債除外)於初次確認時可被指定按公平值列賬並在損益內處理之金融負債：

- 有關指定能消除或大幅減低計算或確認方面原應會出現之不協調；或
- 該金融負債構成一組金融資產或一組金融負債(或同時兩者)之一部分，並依據本集團已正式載入之風險管理或投資策略以公平值基準管理及評估表現，及關於該分類之資料據此已對內公佈；或
- 構成包含一或多個內衍生工具之合約一部分，而香港會計準則第39號允許整份合併合約(資產或負債)被指定為按公平值列賬並在損益內處理類別。

按公平值列賬並在損益內處理之金融負債按公平值計量，而重新計量產生之任何盈虧於該等盈虧產生之期間在損益內確認。於損益確認之收益或虧損淨額包括任何就金融負債支付之利息。

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間附屬公司股東／最終控股公司款項，其後採用實際利率法按已攤銷成本計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Convertible loan notes

Convertible loan notes contains liability and equity components

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).

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.

3. 主要會計政策(續)

(h) 金融工具(續)

金融負債及股權工具(續)

可換股借貸票據

可換股借貸票據包括負債及權益部分

本集團發行之可換股借貸票據包括負債及轉換權部分，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)計入股權(可換股借貸票據儲備)內。

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轉撥至股份溢價)。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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

Financial liabilities and equity instruments (continued)

Convertible loan notes (continued)

Convertible loan notes designated as FVTPL

Other convertible loan notes issued by the Group (including related embedded derivatives) are designated as financial liabilities at fair value through profit or loss on initial recognition. At each reporting dates subsequent to initial recognition, the entire convertible loan note is measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

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 in its entirety, 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)

金融負債及股權工具(續)

可換股借貸票據(續)

指定按公平值列賬並在損益內處理之可換股借貸票據

本集團發行之其他可換股借貸票據(包括內附衍生工具者)為於初步確認時指定按公平值列賬並在損益內處理之金融負債。於初步確認後各報告期間結算日,全部可換股借貸票據按公平值計量,公平值變動於產生期間在損益內確認。

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。於終止確認某項全部金融資產時,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 and a reliable estimate can be made of the amount of the 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. When 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 profit or loss 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且可對責任金額作出可靠估計，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損益確認。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 2011 截至二零一一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) Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposit as defined above.

(l) Impairment losses on tangible and intangible assets

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 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately in profit and loss.

Where impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) 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 (or cash generating unit) in prior years. A reversal of impairment loss is recognised as income immediately in profit and loss.

3. 主要會計政策(續)

(j) 存貨

存貨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) 現金及現金等值項目

綜合財務狀況表中之銀行結存及現金包括銀行及手頭現金以及三個月或以內到期之短期存款。就綜合現金流量表而言，現金及現金等值項目包括現金及上文所界定之短期存款。

(l) 有形及無形資產之減值虧損

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額，以釐定減值虧損(如有)之程度。

可收回款額為公平值減銷售成本與使用價值之較高者。評估使用價值時，估計未來現金流量會按反映當時市場評估貨幣時值及資產(估計未來現金流量並未就其調整)特定風險的稅前折現率，折現至其現值。

倘估計資產(或現金產生單位)之可收回款額低於其賬面值，則該資產(或現金產生單位)之賬面值將減至其可收回款額之水平，並即時於損益確認減值虧損為開支。

倘其後撥回減值虧損，則有關資產(或現金產生單位)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(或現金產生單位)於過往年度並無確認減值虧損時釐定之賬面值。減值虧損撥回即時於損益確認為收入。

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Impairment of exploration and evaluation assets

The carrying amount of the exploration and evaluation assets is reviewed annually and adjusted for impairment in accordance with HKAS 36 Impairment of Assets whenever one of the following events or changes in circumstances indicate that the carrying amount may not be recoverable (the list is not exhaustive):

- The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; or
- Substantive expenditure incurred on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; or
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; or
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

3. 主要會計政策(續)

(m) 勘探及評估資產之減值

倘以下其中一項事件或情況改變顯示勘探及評估資產之賬面值(並非詳列)或會無法收回,則會根據香港會計準則第36號資產減值每年對有關資產進行審閱並就減值作出調整:

- 實體有權勘探特定地區之期限於期內屆滿或將於不久將來屆滿,且預期不獲重續;或
- 並無預算或計劃進一步勘探及評估特定地區礦產資源之龐大開支;或
- 勘探及評估特定地區之礦產資源並未導致發現商業上可行之礦產資源量,以及實體已決定終止於特定地區之有關活動;或
- 有足夠數據顯示,儘管可能進行特定地區之發展項目,但不能從成功發展或銷售中收回勘探及評估資產之全部賬面值。

倘某項資產之賬面值超出其可收回款額,則於損益確認減值虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) 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.

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.

(o) Equity settled share-based payment transactions

Share options granted by the Company 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 the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates 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.

3. 主要會計政策(續)

(n) 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。

金融資產之利息收入按時間基準，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。

(o) 以股權結算股份付款之交易

本公司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。對歸屬期內原估算修訂(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，將轉撥至股份溢價。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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Taxation

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

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

Deferred tax is recognised on temporary 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. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those 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 associated with 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.

3. 主要會計政策(續)

(p) 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按照截至報告期間結束時已頒佈或實際頒佈之稅率計算。

遞延稅項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暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認，而遞延稅項資產一般就可能導致應課稅溢利對銷該等可能動用之可扣減暫時差額之所有可扣減暫時差額確認。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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(p) Taxation (continued)

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 respectively, in which case the deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(q) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are 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.

3. 主要會計政策(續)

(p) 稅項(續)

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，於此情況下，則遞延稅項亦分別於其他全面收入或直接於權益確認。倘當前稅項或遞延稅項由初步會計處理某項業務合併所產生，稅務影響於會計處理業務合併時計入。

(q) 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，以外幣計值之貨幣項目按當日之通行匯率重新換算。按公平值列賬並以外幣計值之非貨幣項目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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Foreign currencies (continued)

Exchange differences on monetary items are recognised in the profit or loss in the period in which they arise, except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

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 under the heading of the exchange translation reserve (attributing to non-controlling interest as appropriate).

3. 主要會計政策(續)

(q) 外幣(續)

貨幣項目之匯兌差額於產生期間在損益確認。惟下列情況除外：

- 當有關用於日後生產之在建資產之外幣借貸匯兌差額被視為外幣借貸之利息成本調整時，匯兌差額計入該等資產之成本；
- 交易之匯兌差額為對沖若干外幣風險產生；及
- 應收或應付一項海外業務之貨幣項目匯兌差額，既無計劃結算且出現之可能性亦不大，即屬於海外業務投資淨額之一部分，初步於其他全面收入確認，並於償還貨幣項目時由權益重新分類至損益。

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，於此情況下，則採用交易日期之通行匯率換算。所產生之匯兌差額(如有)確認為股權之累計其他全面收入(匯兌儲備，於適當情況下歸屬於非控股權益)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Leasing

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

The Group as lessee

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

Leasehold land for own use

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

(s) 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.

(t) Borrowing costs

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

3. 主要會計政策(續)

(r) 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，租賃分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為承租人

經營租賃付款按相關租賃年期以直線法確認為開支。

持作自用之租賃土地

倘租賃包括土地及樓宇部分，本集團根據評估各部分所有權附帶的絕大部分風險及回報是否已轉移至本集團而分別評定各部分為金融或經營租賃。尤其是，最低租賃付款(包括任何一次性預付款)按土地與樓宇部分間之比例分配至按租賃開始時租賃土地部分及樓宇部分租賃權益之相關公平值。倘租賃付款未能於土地及樓宇部分可靠地分配，所有租賃均會一般視為融資租賃並按物業、廠房及設備入賬。

(s) 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。

(t) 借貸成本

所有借貸成本均於產生期間在損益確認。

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.

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. As at 31 March 2011, the carrying amount of trade and other receivables is HK\$4,684,000, net of accumulated impairment losses of HK\$719,000 (2010: HK\$13,412,000, net of accumulated impairment losses of HK\$719,000).

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。

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。於二零一一年三月三十一日，應收貨款及其他應收款項之賬面值為4,684,000港元，扣除累計減值虧損719,000港元(二零一零年：13,412,000港元，扣除累計減值虧損719,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

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

Key sources of estimation uncertainty (continued)

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 2011, no impairment loss was recognised in respect of raw materials and finished goods to write-down the inventories to its net realisable value (2010: HK\$16,800,000).

Carrying value of non-current assets and impairment of assets (other than goodwill)

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 asset's 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.

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)

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。於截至二零一一年三月三十一日止年度，本集團並無就原料及製成品確認減值虧損(二零一零年：16,800,000港元)，以撇減存貨至其可收回淨值。

非流動資產賬面值及資產(不包括商譽)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。可收回金額為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。

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

Key sources of estimation uncertainty (continued)

Impairment of mining right and exploration and evaluation assets

The Group assesses each cash generating unit annually to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. These assessments require the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential and operating performance. Fair value is determined as the amount that would be obtained from the sale of the asset is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted by an appropriate discount rate to determine the net present value. Management has assessed its cash generating units as being an individual mine site, which is the lowest level for which cash flows are largely independent of other assets. As at 31 March 2011, an impairment loss of HK\$28,340,000 for mining right and HK\$13,255,000 for exploration and evaluation assets (2010:Nil) were recognised in profit or loss. Details of impairment test on intangible assets are set out in note 16.

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, an impairment loss may arise. As at 31 March 2011, an impairment loss of HK\$15,065,000 (2010: HK\$5,400,000) was recognised in profit or loss. Details of impairment test on goodwill are set out in note 17.

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)

採礦權及勘探及評估資產之減值

本集團每年評估各現金產生單位，以確定是否存在減值跡象。倘出現減值跡象，則會作出可收回款額之正式評估，及視作公平值減銷售成本與使用價值間之較高者。該等評估須採用有關估計及假設，如長期商品價格、貼現率、未來現金流量、勘探潛力及經營表現。釐定為資產銷售所得款額之公平值一般採用可考慮之獨立市場人士之假設釐定為持續使用該資產所產生之估計未來現金流量之現值，當中包括估計有關資產作為未來拓展計劃及最終出售之成本。現金流量按適當之貼現率貼現以釐定現值淨額。管理層已評估其現金產生單位作為某個別礦點，現金流量之最低水平大大獨立於其他資產，於二零一一年三月三十一日，採礦權及勘探及評估資產之減值虧損 28,340,000 港元及 13,255,000 港元(二零一零年：無)已於損益內確認。有關無形資產之減值測試詳情載於附註16。

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，則可能會產生減值虧損。於二零一一年三月三十一日，商譽之減值虧損 15,065,000 港元(二零一零年：5,400,000 港元)已於損益內確認。商譽減值測試之詳情載於附註17。

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

Key sources of estimation uncertainty (continued)

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.

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.

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)

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。

儲量估計

儲量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。

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

Key sources of estimation uncertainty (continued)

Reserve estimates (continued)

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 profit or loss 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.

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 29.

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(續)

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，於損益內扣除的折舊、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。

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29。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

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

Valuation for convertible loan notes

The fair value of convertible loan notes are determined by using valuation techniques. The Group has adopted judgement to select an appropriate valuation method and make assumption that are mainly based on market conditions existing at the transaction date and each reporting date with reference to the valuation performed by Asset Appraisal Limited, an independent firm of professional valuers. The valuation model requires the input of subjective assumptions which includes the stock price volatility, expected dividend yield, risk free rate and expected life. As at 31 March 2011, the carrying amount of convertible loan notes designated as FVTPL is HK\$201,186,000.

Changes in subjective input assumptions can materially affect the fair value estimate.

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 26, cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

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 2011.

4. 關鍵會計判斷及估計不明朗因素之主要來源(續)

評估可換股借貸票據

可換股借貸票據之公平值採用估值技術釐定。本集團已參考由資產評估有限公司(一間獨立專業估值公司)進行之評估,採取判斷選擇合適評估方法及作出主要基於交易日期及各報告日期現有市況之假設。評估方法須輸入有關主觀假設,其中包括股價波幅、預期股息收益率、無風險利率及預期年期。於二零一一年三月三十一日,指定按公平值列賬並在損益內處理之可換股借貸票據賬面值為201,186,000港元。

主觀輸入假設之變動可能對公平值估計產生重大影響。

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26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)。

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。截至二零一一年三月三十一日止兩個年度,本集團之整體策略維持不變。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

6. FINANCIAL INSTRUMENTS

6a. Categories of financial instruments

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Financial assets at amortised cost	按已攤銷成本計量之金融資產	231,756	301,935
Financial liabilities at amortised cost	按已攤銷成本計量之金融負債	32,188	248,678
Financial liabilities at FVTPL	按公平值列賬並在損益內處理之金融負債	201,186	-

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 shareholder of a subsidiary/ultimate holding company and convertible loan notes. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. 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.

6. 金融工具

6a. 金融工具類別

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Financial assets at amortised cost	按已攤銷成本計量之金融資產	231,756	301,935
Financial liabilities at amortised cost	按已攤銷成本計量之金融負債	32,188	248,678
Financial liabilities at FVTPL	按公平值列賬並在損益內處理之金融負債	201,186	-

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、應付一間附屬公司股東／最終控股公司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。與該等金融工具相關之風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。如何降低該等風險之政策載於下文。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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)**6b. Financial risk management objectives and policies (continued)****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.

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 functional currency of the entity to which they relate.

		As at 31 March 2011 於二零一一年三月三十一日			As at 31 March 2010 於二零一零年三月三十一日		
		HK\$ 港元 HK\$'000 千港元	Euro ("EUR") 歐元 HK\$'000 千港元	United States Dollars ("USD") 美元 HK\$'000 千港元	HK\$ 港元 HK\$'000 千港元	EUR 歐元 HK\$'000 千港元	USD 美元 HK\$'000 千港元
Assets	資產	305,049	156	244	N/A不適用	2	43
Liabilities	負債	194,446	411	313	N/A不適用	29	18

6. 金融工具(續)**6b. 財務風險管理目標及政策(續)****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。

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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一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)

Sensitivity analysis

The group entities are mainly exposed to foreign currency risk of HK\$, EUR and USD.

The following table details the group entities' sensitivity to a 5% (2010: 5%) increase and decrease in HK\$, EUR and USD against each group entity's functional currency (including HK\$ and RMB). 5% (2010:5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% (2010: 5%) change in foreign currency rates. A positive number below indicates a decrease in loss for the year where each group entity's functional currency strengthen 5% (2010: 5%) against EUR, USD and HK\$. For a 5% (2010: 5%) weakening of each group entity's functional currency against EUR, USD and HK\$, there would be an equal and opposite impact on the loss for the year.

6. 金融工具(續)

6b. 財務風險管理目標及政策(續)

貨幣風險(續)

敏感度分析

本集團實體主要承受港元、歐元及美元之外幣風險。

下表詳列本集團實體對港元、歐元及美元兌各本集團實體之功能貨幣(包括港元及人民幣)之匯率升跌5%(二零一零年: 5%)之敏感度。5%(二零一零年: 5%)為向主要管理人員內部匯報外幣風險所用之敏感度比率, 並指管理層對外幣匯率可能合理變動之評估。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%(二零一零年年: 5%)變動調整於年終之換算。下表之正數數字顯示當各本集團實體之功能貨幣兌歐元、美元及港元升值5%(二零一零年: 5%)時年內虧損減少。倘各本集團實體之功能貨幣兌歐元、美元及港元貶值5%(二零一零年: 5%), 則對年內虧損構成金額相等但效果相反之影響。

		HK\$ 港元		EUR 歐元		USD 美元	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Profit or loss	溢利或虧損	(5,530)	不適用N/A	13	(14)	3	(10)

6. FINANCIAL INSTRUMENTS (continued)

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

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation 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 have been determined based on the exposure to interest rates for non-derivative instruments at the end of reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of reporting period were 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 2011 would decrease/increase by approximately HK\$1,129,000 (2010: HK\$1,434,000). 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 non-derivative financial liabilities based on the agreed repayment terms. 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.

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted gross outflows on those derivatives that require gross settlement.

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

下文之敏感度分析根據非衍生工具於報告期間結束時之利率風險釐定。編製分析時將假設於報告期間結束時之未償還金融工具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，則本集團截至二零一一年三月三十一日止年度之虧損將會減少/增加約1,129,000港元(二零一零年：1,434,000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非衍生工具金融負債剩餘合約到期詳情。有關列表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。

此外，下表載有本集團衍生金融工具之流動資金分析。有關列表根據要求總額結算之該等衍生工具之未貼現流出總額編製。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一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	Two years to five years	Total undiscounted cash flows	Carrying amount at 31 March
		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	兩年至 五年 HK\$'000 千港元	未貼現現金 流量總額 HK\$'000 千港元	三月三十一日 之賬面值 HK\$'000 千港元
2011	二零一一年					
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	31,615	-	-	31,615	31,615
Amount due to ultimate holding company	應付最終控股公司款項	573	-	-	573	573
		32,188	-	-	32,188	32,188
Derivative – gross settlement	衍生工具 – 總額結算					
Convertible loan notes	可換股借貸票據	-	-	200,000	200,000	201,186
		-	-	200,000	200,000	201,186
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 shareholder of a subsidiary	應付一間附屬公司股東款項	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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

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

Credit risk

As at 31 March 2011, 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 is the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at 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 100% (2010: 99%) of the total trade and other receivables as at 31 March 2011.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

6. 金融工具(續)

6b. 財務風險管理目標及政策(續)

信貸風險

於二零一一年三月三十一日，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。

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。

於二零一一年三月三十一日，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100%(二零一零年：99%)。

本集團並無信貸風險集中的問題，風險分佈於多名對手及顧客。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value

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

- 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;
- the fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

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.

6. 金融工具(續)

6c. 公平值

金融資產及金融負債之公平值釐定如下：

- 其他金融資產及金融負債之公平值按公認定價模型，根據貼現現金流量分析釐定；
- 衍生工具之公平值按報價計算。倘未取得有關價格，則非期權衍生工具以工具年期之適用收益曲線進行貼現現金流量分析，而期權衍生工具則以期權定價模式進行貼現現金流量分析。

本公司董事認為，綜合財務報表按已攤銷成本入賬之金融資產及金融負債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 2011 截至二零一一年三月三十一日止年度

6. FINANCIAL INSTRUMENTS (continued)

6c. Fair value (continued)

Fair value measurements recognised in the statement of financial position

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

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

Convertible loan notes designated as financial liabilities at FVTPL

指定按公平列賬並在損益內處理之可換股借貸票據

There were no transfers between Level 1 and 2 in the both years.

6. 金融工具(續)

6c. 公平值(續)

於財務狀況報表確認之公平值計量

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

- 第一級公平值計量按自己識別資產或負債於活躍市場中所報報價(未調整)得出。
- 第二級公平值計量按除第一級計入之報價外，自資產或負債可直接(即價格)或間接(即來自價格衍生)觀察輸入數據得出。
- 第三級公平值計量按計入並非根據可觀察市場數據(無法觀察輸入數據)之資產或負債之估值方法得出。

於兩個年度內，概無第一級及第二級之間之轉換。

31/3/2011			
於二零一一年三月三十一日			
Level 1	Level 2	Level 3	Total
第一級	第二級	第三級	總計
-	201,186	-	201,186

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一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 is as follows:

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。本集團之營業額分析如下：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Sales and distribution of coal	104,428	86,514
Sales of clocks and other office related products	-	4,576
Management fee income	-	5,000
	104,428	96,090

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

8. SEGMENT INFORMATION

The Group's operating segments, based on information reported to the executive directors, being the chief operating decision maker for the purpose of resource allocation and performance assessment, is more specifically focused on the types of goods delivered and services provided by the Group's operating divisions. The Group's operating and reportable segments under HKFRS 8 are therefore as follows:

- (i) the coal mine business segment engages in mining, sales and distribution of coal; and
- (ii) others

During the year ended 31 March 2011, executive directors concluded the provision of management services and the clocks and other office related products segments are not significant as a reportable segment of the Group and accordingly prior year information were restated to conform to the current year's presentation.

(a) Segment revenue and results

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

For the year ended 31 March 2011

		Coal mine business 煤礦業務 HK\$'000 千港元	Others 其他業務 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	104,428	–	104,428
SEGMENT RESULTS	分類業績	(67,655)	(581)	(68,236)
Interest income	利息收入			418
Net unallocated expenses	未能攤分之支出淨額			(5,022)
Finance costs	融資成本			(19,845)
Loss before tax	除稅前虧損			(92,685)

8. 分類資料

本集團經營分類按向執行董事報告之資料，即主要經營決策者分配資源及評估其表現，及更注重按本集團經營分類所交付貨品及所提供服務之類型進行分類。因此，本集團根據香港財務報告準則第8號之經營及可報告分類如下：

- (i) 煤礦業務分類從事煤炭開採、銷售及分銷；及
- (ii) 其他

截至二零一一年三月三十一日止年度，執行董事總結提供管理服務及時鐘以及其他辦公室相關產品不再屬本集團重大報告分類，因此已重列去年資料，以符合本年度呈列。

(a) 分類收益及業績

下表呈列本集團業務分類之營業額、業績及開支資料。

截至二零一一年三月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一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

		Coal mine business 煤礦業務 HK\$'000 千港元	Others 其他業務 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	86,514	9,576	96,090
SEGMENT RESULTS	分類業績	(9,592)	2,537	(7,055)
Interest income	利息收入			120
Net unallocated expenses	未能攤分之支出淨額			(6,116)
Finance costs	融資成本			(18,756)
Loss before tax	除稅前虧損			(31,807)

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, change in fair value of convertible loan notes 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、可換股借貸票據之公平值變動及融資成本前各分類所賺取之溢利／虧損。此乃就資源分配及表現評估向執行董事報告之方法。

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

8. SEGMENT INFORMATION (continued)

(b) Segment assets and liabilities

For the year ended 31 March 2011

8. 分類資料(續)

(b) 分類資產及負債

截至二零一一年三月三十一日止年度

		Coal mine business 煤礦業務 HK\$'000 千港元	Others 其他 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	162,717	76		162,793
Unallocated assets	未能攤分之資產				228,204
Total assets	總資產				390,997
LIABILITIES	負債				
Segment liabilities	分類負債	28,865	3,265		32,130
Unallocated liabilities	未能攤分之負債				227,186
Total liabilities	總負債				259,316
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	4,699	-		4,699
Depreciation and amortisation	折舊及攤銷	9,672	-		9,672
Impairment of intangible assets	無形資產減值	41,595	-		41,595
Impairment of goodwill	商譽減值	15,065	-		15,065
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損	47	-		47
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	(397)	-	(21)	(418)
Interest expense	利息開支	255	-	19,590	19,845
Income tax credit	所得稅抵免	(10,730)	-	-	(10,730)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

8. SEGMENT INFORMATION (continued)

(b) Segment assets and liabilities (continued)

For the year ended 31 March 2010

8. 分類資料(續)

(b) 分類資產及負債(續)

截至二零一零年三月三十一日止年度

		Coal mine business 煤礦業務 HK\$'000 千港元	Others 其他 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	254,677	1		254,678
Unallocated assets	未能攤分之資產				288,555
Total assets	總資產				543,233
LIABILITIES	負債				
Segment liabilities	分類負債	33,268	8,290		41,558
Unallocated liabilities	未能攤分之負債				242,274
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	4,848	30		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
Impairment of goodwill	商譽減值	5,400	-		5,400
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	(84)	(6)	(30)	(120)
Interest expense	利息開支	217	-	18,539	18,756
Income tax expense	所得稅開支	2,000	163	-	2,163

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

附註：金額不包括所收購附屬公司之物業、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 2011 截至二零一一年三月三十一日止年度

8. SEGMENT INFORMATION (continued)

(b) Segment assets and liabilities (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 amounts due to related companies/ shareholder of a subsidiary/ultimate holding company, deferred tax liabilities and convertible loan notes. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

(c) Geographical information

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

		Europe 歐洲		Hong Kong 香港		PRC (other than Hong Kong) 中國 (不包括香港)		Total 總額	
		2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年	2011 二零一一年	2010 二零一零年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Sales to external customers	銷售予對外客戶	-	1,123	-	5,119	104,428	89,848	104,428	96,090
Non-current assets	非流動資產	-	-	-	-	123,755	179,703	123,755	179,703

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 2011, there was no individual customer contributed more than 10% of the total revenue of the Group.

8. 分類資料(續)

(b) 分類資產及負債(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
- 除應付關連公司／一間附屬公司股東／最終控股公司款項、遞延稅項負債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。

(c) 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。

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。

於截至二零一一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 2011 截至二零一一年三月三十一日止年度

9. FINANCE COSTS

9. 融資成本

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Interest expenses on:	利息開支：		
– amount due to shareholder of a subsidiary	– 應付一間附屬公司股東款項	255	217
– effective interest expenses on convertible loan notes (Note 26)	– 可換股借貸票據之實際利息開支(附註26)	19,590	18,539
		19,845	18,756

10. INCOME TAX (CREDIT) EXPENSE

10. 所得稅(開支)抵免

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
The (credit) charge comprises:	有關(抵免)支出包括：		
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	–	–
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	107	–
		107	2,671
Deferred tax (Note 28)	遞延稅項(附註28)	(10,837)	(508)
		(10,730)	2,163

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years. 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 2011 and 31 March 2010.

香港利得稅按兩個年度估計應課稅溢利之16.5%繳付。由於截至二零一一年三月三十一日及二零一零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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

10. INCOME TAX (CREDIT) EXPENSE (continued)

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% for both years.

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 (credit) charges 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)

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，中國附屬公司兩個年度之稅率為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(抵免)支出與綜合全面收益表中除稅前虧損之對賬如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Loss before tax	除稅前虧損	(92,685)	(31,807)
Tax at domestic income tax rate of 25% (2010: 16.5%)	按本地所得稅稅率25% (二零一零年：16.5%) 計算之稅項	(23,171)	(5,248)
Tax effect of expenses not deductible for tax purposes	作扣稅開支之稅務影響	12,874	4,848
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(262)	(36)
Tax effect of deductible temporary differences and tax losses not recognised	未確認之可扣稅暫時差額及 稅項虧損之稅務影響	637	2,755
Under-provision in prior years	過往年度撥備不足	107	-
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	(915)	(156)
Tax (credit) expense for the year	年內稅項(抵免)開支	(10,730)	2,163

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

11. LOSS FOR THE YEAR

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

11. 年內虧損

年內虧損已扣除(計入)下列各項：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Cost of inventories sold	出售存貨之成本	104,357	88,012
Staff costs (excluding directors' remuneration (Note 14)):	員工成本(董事薪酬除外) (附註14)：		
Basic salaries and allowances	基本薪金及津貼	4,919	6,568
Retirement benefits scheme contributions	退休福利計劃供款	603	196
		5,522	6,764
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	2,979	1,677
Amortisation of intangible assets (included in cost of sales)	無形資產之攤銷(計入銷售成本)	6,693	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	822	680
Operating leases charges on rented premises	有關租賃物業之經營租賃費用	1,762	1,852
Net exchange (gain) loss	匯兌(收益)虧損淨額	(800)	1,318
Write down of inventories (included in cost of sales)	存貨撇減(計入銷售成本)	-	16,800
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	47	100
Waiver of long outstanding trade payables	豁免長期未償還應付貨款	(809)	-
Interest income	利息收入	(418)	(120)

12. DIVIDEND

No dividend was paid or proposed during the year ended 31 March 2011, nor has any dividend been proposed since the end of the reporting period (2010: Nil).

12. 股息

於截至二零一一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(二零一零年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

13. LOSS PER SHARE – BASIC AND DILUTED

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:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Loss	虧損		
Loss for the purpose of basic and diluted loss per share	每股基本及攤薄虧損之虧損	81,094	31,789
		2011 二零一一年	2010 二零一零年
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	用以計算每股基本及攤薄虧損之普通股加權平均數	765,373,584	765,373,584

The calculations of diluted loss per share for the years ended 31 March 2011 and 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.

13. 每股虧損—基本及攤薄

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：

由於轉換可換股借貸票據會導致每股虧損減少，故計算截至二零一一年三月三十一日及二零一零年三月三十一日止兩個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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

14. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to each of the six (2010: six) directors were as follows:

For the year ended 31 March 2011

14. 董事及高級管理人員酬金

(a) 董事酬金

已付或應付各六名(二零一零年:六名)董事之酬金如下:

截至二零一一年三月三十一日止年度

		Other emoluments 其他酬金			
		Salaries, allowances and other benefits	Retirement benefits scheme contributions		Total
		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
		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	12	252
Kwan Man Fai	關文輝	-	240	12	252
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	24	1,224

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

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

(a) Directors' emoluments (continued)

For the year ended 31 March 2010

14. 董事及高級管理人員酬金(續)

(a) 董事酬金(續)

截至二零一零年三月三十一日止年度

		Other emoluments 其他酬金			
		Salaries, allowances and other benefits	Retirement benefits scheme contributions		Total
		Fees	benefits		
		薪金、津貼及 袍金	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：				
Lo Fong Hung	羅方紅	-	-	-	-
Wang Xiangfei	王翔飛	-	240	13	253
Kwan Man Fai	關文輝	-	240	13	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	26	1,226

There was no arrangement under which directors waived or agreed to waive any emoluments for the two years ended 31 March 2011 and 31 March 2010, except Ms. Lo Fong Hung has agreed to waive her director's fee from 25 March 2011 onwards.

截至二零一一年三月三十一日及二零一零年三月三十一日兩個年度，除羅方紅女士已同意自二零一一年三月二十五日起豁免其董事袍金外，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 2011 截至二零一一年三月三十一日止年度

14. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)**(b) Senior management's emoluments**

Of the five individuals with the highest emoluments in the Group, three (2010: nil) was director of the Company whose emoluments are set out above. The emoluments of the two (2010: five) highest paid individuals were as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	1,287	2,237
Retirement benefits scheme contributions	退休福利計劃供款	9	19
		1,296	2,256

The emoluments of two (2010: five) highest paid employees fall in the following bands:

		Number of individuals 人數	
		2011 二零一一年	2010 二零一零年
Emoluments bands	酬金範圍		
Nil – HK\$1,000,000	零至1,000,000港元	2	5
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	–	–
		2	5

(c) 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 2011 and 31 March 2010.

14. 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，三名(二零一零年：無)為本公司董事，該等酬金已載於上文。兩名(二零一零年：五名)最高薪人士之酬金如下：

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	1,287	2,237
Retirement benefits scheme contributions	退休福利計劃供款	9	19
		1,296	2,256

兩名(二零一零年：五名)最高薪僱員之酬金介乎下列酬金範圍：

**Number of individuals
人數**

		2011 二零一一年	2010 二零一零年
Emoluments bands	酬金範圍		
Nil – HK\$1,000,000	零至1,000,000港元	2	5
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	–	–
		2	5

(c) 於截至二零一一年三月三十一日及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 2011 截至二零一一年三月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15. 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 2009	於二零零九年四月一日	-	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
Disposals	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
Exchange realignment	匯兌調整	366	-	802	83	-	1,251
Additions	添置	-	-	2,487	2,212	-	4,699
Disposal	出售	-	-	(27)	(141)	-	(168)
At 31 March 2011	於二零一一年三月三十一日	8,235	-	42,349	34,565	-	85,149
ACCUMULATED DEPRECIATION AND AMORTISATION							
	累計折舊及攤銷						
At 1 April 2009	於二零零九年四月一日	-	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 disposals	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
Exchange realignment	匯兌調整	25	-	97	10	-	132
Charge for the year	本年度支出	538	-	1,953	488	-	2,979
Eliminated on disposal	出售時對銷	-	-	(9)	(39)	-	(48)
At 31 March 2011	於二零一一年三月三十一日	978	-	26,099	31,727	-	58,804
CARRYING VALUES							
	賬面值						
At 31 March 2011	於二零一一年三月三十一日	7,257	-	16,250	2,838	-	26,345
At 31 March 2010	於二零一零年三月三十一日	7,454	-	15,029	1,143	-	23,626

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

15. 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:

15. 物業、廠房及設備(續)

上述物業、廠房及設備項目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：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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	7,257	7,454

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

16. INTANGIBLE ASSETS

16. 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	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 2009	於二零零九年四月一日	-	-	652	652
Exchange realignment	匯兌調整	253	120	11	384
Acquisition of subsidiaries (Note i)	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
Exchange realignment	匯兌調整	1,512	3,312	-	4,824
At 31 March 2011	於二零一一年三月三十一日	46,145	101,052	663	147,860
ACCUMULATED AMORTISATION AND IMPAIRMENT		累計攤銷及減值			
At 1 April 2009	於二零零九年四月一日	-	-	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
Exchange realignment	匯兌調整	-	224	-	224
Impairment loss for the year	本年度減值虧損	13,255	28,340	-	41,595
Charge for the year (Note ii)	本年度支出(附註ii)	-	6,693	-	6,693
At 31 March 2011	於二零一一年三月三十一日	13,255	38,462	663	52,380
CARRYING VALUES		賬面值			
At 31 March 2011	於二零一一年三月三十一日	32,890	62,590	-	95,480
At 31 March 2010	於二零一零年三月三十一日	44,633	94,535	-	139,168

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

專利權及商標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 2011 截至二零一一年三月三十一日止年度

16. INTANGIBLE ASSETS (continued)

Notes:

i. The mining right and the exploration and evaluation assets acquired as part of a business combination during the year ended 31 March 2010 were 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.

ii. Mining right

The board conducted impairment review of the mining rights at the end of each reporting period with reference to the professional valuation which is based on discounted cash flow approach as adopted by the valuer. The calculations use cash flow projections based on financial budgets covering a five-year period and discount rate of 25.9% (2010: 22.5%) using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the cash generating unit ("CGU"). Cash flows beyond 5 years period have been extrapolated using zero growth rate per annum. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. During the year ended 31 March 2010, as the relevant amount of CGU exceeded their carrying amounts, no impairment losses were recognised in profit or loss. During the year ended 31 March 2011, due to the decline of average selling price of coal which has resulted in a decline of gross profit and recurring losses incurred by this CGU, the recoverable amount of this CGU was less than the carrying amount of mining rights. Accordingly, impairment loss of approximately HK\$28,340,000 was recognised in profit or loss.

Exploration and evaluation assets

The board conducted impairment review of the exploration and evaluation assets at the end of each reporting period with reference to the professional valuation which is based on discounted cash flow approach as adopted by the valuer. The calculations use cash flow projections based on financial budgets covering a five-year period and discount rate 25.8% (2010: 22.5%) using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. Cash flows beyond 5 years period have been extrapolated using zero growth rate per annum. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. During the year ended 31 March 2010, as the relevant amount of CGU exceeded their carrying amounts, no impairment losses were recognised in profit or loss. During the year ended 31 March 2011, due to the decline of average selling price of coal which has resulted in a decline of gross profit and recurring losses incurred by this CGU, the recoverable amount of this CGU was less than the carrying amount of exploration right. Accordingly, impairment loss of approximately HK\$13,255,000 were recognised in profit or loss.

16. 無形資產(續)

附註：

i. 截至二零一零年三月三十一日止年度收購採礦權及勘探及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。

ii. 採礦權

董事會於各報告期間結束時參照按估值師所採納之貼現現金流量法作出之專業估值對採礦權進行檢討。該計算使用按涵蓋五年期間財政預算之現金流量預測，及反映現金產生單位(「現金產生單位」)之貨幣時間價值及特定風險之目前市場評估之稅前比率貼現率25.9%(二零一零年：22.5%)。五年期間後之現金流量根據每年零增長率推斷。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。截至二零一零年三月三十一日止年度，由於現金產生單位相關金額超過該等賬面值，概無減值虧損於損益確認。截至二零一一年三月三十一日止年度，由於煤炭平均售價已導致該現金產生單位產生之毛利及經常性虧損減少，該現金產生單位之可收回金額少於採礦權之賬面值。因此，減值虧損約28,340,000港元於損益確認。

勘探及評估資產

董事會於各報告期間結束時參照按估值師所採納之貼現現金流量法作出之專業估值對勘探及評估資產進行檢討。該計算使用按涵蓋五年期間財政預算之現金流量預測，及反映現金產生單位之貨幣時間價值及特定風險之目前市場評估之稅前比率貼現率25.8%(二零一零年：22.5%)。五年期間後之現金流量根據每年零增長率推斷。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。截至二零一零年三月三十一日止年度，由於現金產生單位相關金額超過該等賬面值，概無減值虧損於損益確認。截至二零一一年三月三十一日止年度，由於煤炭平均售價已導致該現金產生單位所產生之毛利及經常性虧損減少，該現金產生單位之可收回金額少於勘探權之賬面值。因此，減值虧損約13,255,000港元於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

16. INTANGIBLE ASSETS (continued)

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 (北塔山), Qitai County (奇台縣), Xinjiang Uygur Autonomous Region (新疆維吾爾自治區) 新疆維吾爾自治區 奇台縣 北塔山	30 June 2018 二零一八年六月三十日	-
Exploration right			
勘探權			
Zexu Open Pit Coal Mine 澤旭露天煤礦	Bei Ta Mountain (北塔山), Qitai County (奇台縣), Xinjiang Uygur Autonomous Region (新疆維吾爾自治區) 新疆維吾爾自治區 奇台縣 北塔山	22 October 2011 二零一一年十月二十二日	(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 2011, the exploration right was renewed to October 2011. As at the date of approval of these consolidated financial statements by the directors, 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.

The directors of the Company believed that, with reference to the legal opinion, the Group owns the priority to transfer the exploration right to the mining right before the next expiration of exploration right and the Group possesses the right to renew the exploration right 30 days before expiration.

16. 無形資產(續)

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。

於截至二零一一年三月三十一日止年度，勘探權獲重續至二零一一年十月。於董事批准綜合財務報表獲當日，本集團並無改變有關申請延長任何勘探權相關牌照之意向，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牌照。

本公司董事相信，根據法律意見，本集團擁有於下個勘探權屆滿前將勘探權轉換為採礦權之優先權及本集團擁有權利於屆滿前30天重續勘探權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

17. GOODWILL**17. 商譽**

		HK\$'000 千港元
COST	成本	
At 1 April 2009	於二零零九年四月一日	17,004
Acquired on acquisition of subsidiaries	收購附屬公司時購入	20,465
		<hr/>
At 31 March 2010 and 31 March 2011	於二零一零年三月三十一日及 二零一一年三月三十一日	37,469
		<hr/>
IMPAIRMENT	減值	
At 1 April 2009	於二零零九年四月一日	17,004
Impairment loss recognised in the year	年內已確認減值虧損	5,400
		<hr/>
At 31 March 2010	於二零一零年三月三十一日	22,404
		<hr/>
Impairment loss recognised in the year	年內已確認減值虧損	15,065
		<hr/>
At 31 March 2011	於二零一一年三月三十一日	37,469
		<hr/>
CARRYING VALUES	賬面值	
At 31 March 2011	於二零一一年三月三十一日	-
		<hr/>
At 31 March 2010	於二零一零年三月三十一日	15,065
		<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

17. GOODWILL (continued)

Goodwill acquired in a business combination is allocated to two 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. Goodwill has been allocated to two CGUs for the purpose of goodwill impairment testing. At the end of the reporting period, the carrying amount of goodwill as at 31 March 2011 allocated to these subsidiaries are as follows:

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 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

The recoverable amounts of the above CGUs are determined from value-in-use calculations. That calculations use cash flow projections based on financial budgets covering a five-year period, and discount rate of 25.9% using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs (2010: 22.5%). Cash flows beyond 5 years period have been extrapolated using zero growth rate per annum. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

During the year ended 31 December 2011, due to the decline of average selling price of coal which has resulted in a decline of gross profit and recurring losses incurred by these CGUs, the recoverable amount of these CGUs were less than the carrying amount of goodwill plus the carrying amount of identifiable net assets. Based on the aforesaid value-in-use calculations, the directors considered an impairment loss of goodwill approximately HK\$4,832,000 (2010: HK\$1,732,000) and HK\$10,233,000 (2010: HK\$3,668,000) 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 2011.

17. 商譽(續)

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。就商譽減值測試而言，商譽已分配至兩個現金產生單位。於報告期間結束時，於二零一一年三月三十一日分配至該等附屬公司之商譽賬面值如下：

上述現金產生單位之可收回金額根據使用價值計算法釐定。該計算使用按涵蓋五年期間財政預算之現金流量預測，及反映現金產生單位之貨幣時間價值及特定風險之目前市場評估之稅前比率貼現率25.9%(二零一零年：22.5%)。五年期間後之現金流量根據每年零增長率推斷。售價及直接成本變動按過往慣例及對市場未來變動之預測計算。

截至二零一一年十二月三十一日止年度，由於煤炭平均售價導致該等現金產生單位產生之毛利及經常性虧損減少，該等現金產生單位之可收回金額少於商譽之賬面值加可識別資產淨值之賬面值。根據上述使用價值計算法，董事認為，就於截至二零一一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4,832,000港元(二零一零年：1,732,000港元)及10,233,000港元(二零一零年：3,668,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

18. 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.

19. INVENTORIES

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Consumables	消費品	1,231	409
Finished goods	製成品	35,470	62,998
		36,701	63,407

20. TRADE AND OTHER RECEIVABLES

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Trade and bills receivables	應收貨款及應收票據	1,542	12,350
Less: Allowance for doubtful debts of trade receivables	減：應收貨款呆賬撥備	(719)	(719)
		823	11,631
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	3,861	1,781
		4,684	13,412

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.

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.

18. 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，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。

19. 存貨**20. 應收貨款及其他應收款項**

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。

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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

20. TRADE AND OTHER RECEIVABLES (continued)

Included in the trade receivables are bills receivables amounted to approximately HK\$594,000 (2010: HK\$10,117,000) aged within one year.

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within 90 days	90天內	740	7,248
91 – 180 days	91天至180天內	–	4,383
181 – 365 days	181天至365天內	–	–
Over 1 year	超過1年	83	–
		823	11,631

(a) As of the end of reporting period, the aging analysis of trade receivables that were past due but not impaired are as follows:

		Past due but not impaired 已逾期但未出現減值				
		Total	Neither past due nor impaired 未逾期且未出現減值	<90 days	91 to 365 days	Over 1 year
		總額	減值	少於90天	91天至365天	超過1年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
31/3/2011	二零一一年 三月三十一日	823	740	–	83	–
31/3/2010	二零一零年 三月三十一日	11,631	11,631	–	–	–

20. 應收貨款及其他應收款項(續)

計入應收貨款之應收票據約594,000港元(二零一零年: 10,117,000港元), 賬齡為一年內。

於報告期間結束時, 應收貨款及應收票據(於扣除呆賬撥備後)之賬齡分析如下:

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within 90 days	740	7,248
91 – 180 days	–	4,383
181 – 365 days	–	–
Over 1 year	83	–
	823	11,631

(a) 於報告期間結束時, 已逾期但未出現減值之應收貨款賬齡分析如下:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

20. TRADE AND OTHER RECEIVABLES (continued)

(a) (continued)

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 2011 related to an individual customer that had a good track record with the Group. Based on past experience, management believes that no impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The 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:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Balance at beginning of the year	年初結餘	719	600
Exchange realignment	匯兌調整	-	1
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)
Balance at end of the year	年終結餘	719	719

Included in the impairment loss are individually impaired trade receivables with an aggregate balance of HK\$719,000 (2010: HK\$719,000) which has been in financial difficulties. The Group does not hold any collateral over these balances.

(c) There were no movements for the allowance for doubtful debts of other receivables during the two years ended 31 March 2011 and 31 March 2010.

20. 應收貨款及其他應收款項(續)

(a) (續)

未逾期且未出現減值之應收貨款與無近期拖欠記錄之多名客戶有關。本集團並無就此等結餘持有任何抵押品。

於二零一一年三月三十一日已逾期但未減值之應收貨款涉及一名過往於本集團記錄良好之客戶。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：

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(二零一零年：719,000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。

(c) 截至二零一一年三月三十一日及二零一零年三月三十一日止兩個年度並無其他應收款項呆賬撥備之變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

21. 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\$196,598,000 (2010: HK\$283,347,000) with an original maturity of three months or less. The bank balances and bank deposits carried interest at market rates ranging from 0% to 1.49% (2010: 0% to 1.35%) 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:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Great Britain Pound	英鎊	1	6
EUR	歐元	10	138
HK\$	港元	192,921	N/A 不適用
USD	美元	7	38

22. TRADE AND OTHER PAYABLES

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

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within 90 days	90天內	4,053	12,898
91 – 180 days	91天至180天內	1,836	1,253
181 – 365 days	181天至365天內	1,167	2,795
Over 1 year	超過1年	678	655
Trade payables	應付貨款	7,734	17,601
Receipt in advance	預收款項	5,740	1,373
Other payables and accruals	其他應付款項及應計費用	18,141	20,626
		31,615	39,600

21. 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196,598,000港元(二零一零年：283,347,000港元)。銀行結存及銀行存款按介乎0厘至1.49厘(二零一零年：0厘至1.35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：

22. 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：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

22. TRADE AND OTHER PAYABLES (continued)

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 2011, a balance payable to Mr. Liang Jin You ("Mr. Liang"), a former director of certain subsidiaries of the Group, amounting to HK\$828,000 (2010: HK\$1,340,000) was included in other payables. The amount was unsecured, non-interest bearing and repayable on demand.

23. AMOUNTS DUE TO RELATED COMPANIES

Asia Peace Development Limited ("Asia Peace")	偉和發展有限公司(「偉和」)
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The amount is unsecured, non-interest bearing and repayable on demand.

Mr. Liang has beneficial interests in these related companies.

24. AMOUNT DUE TO SHAREHOLDER OF A SUBSIDIARY

As of 31 March 2010, the amount represented an unsecured loan with principal amount of RMB25,000,000 (equivalent to approximately of HK\$28,500,000), 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. The loan was fully repaid during the year ended 31 March 2011.

25. AMOUNT DUE TO ULTIMATE HOLDING COMPANY

The amount due was unsecured, non-interest bearing and repayable on demand.

22. 應付貨款及其他應付款項(續)

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。

於二零一一年三月三十一日，應付本集團若干附屬公司之前任董事梁金友先生(「梁先生」)為數828,000港元(二零一零年：1,340,000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。

23. 應付關連公司款項

2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
-	168

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。

24. 應付一間附屬公司股東款項

於二零一零年三月三十一日，有關款額指以本金額人民幣25,000,000元(相當於約28,500,000港元)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期間。截至二零一一年三月三十一日止年度貸款已全數清償。

25. 應付最終控股公司款項

有關款額為無抵押、不計息及須應要求償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

26. 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. If the convertible loan notes has not been converted, the Company shall repay the principal amount of the outstanding convertible bond to Ascent Goal at 13 March 2011.

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%.

The movement of the liability component of the convertible loan notes for the year is set out below:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Carrying amount at 1 April	於四月一日之賬面值	180,410	161,871
Effective interest expenses (Note 9)	實際利息支出(附註9)	19,590	18,539
Derecognition on maturity	到期終止確認	(200,000)	-
Carrying amount at 31 March	於三月三十一日之賬面值	-	180,410

An extinguishment loss of approximately HK\$412,000 has been recognised in profit or loss during the year ended 31 March 2011.

26. 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。倘可換股借貸票據未獲轉換，本公司應於二零一一年三月十三日償還晉標未償還可換股票據之本金額。

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。

可換股借貸票據負債部分之年內變動載列如下：

截至二零一一年三月三十一日止年度，消除虧損約412,000港元已於損益確認。

26. CONVERTIBLE LOAN NOTES (continued)

On 11 February 2011, the Company, entered into a deed of amendment with Ascent Goal, to extend the maturity date of the convertible loan notes for 36 months and the conversion period will accordingly be extended for 36 months from 14 March 2011 (date of extension) to 13 March 2014. Apart from the extension of the maturity date and the conversion period, all terms of the convertible loan notes remain unchanged from the original terms.

Following the change of functional currency from HK\$ to RMB, the board of directors is of the view that the convertible loan notes upon extension of maturity date was no longer convertible at a fixed for fixed relationship. Accordingly, the convertible loan notes was designated as a derivative financial instrument at FVTPL and was classified as a non-current liability in the consolidated statement of financial position.

The convertible loan notes was valued by the directors of the Company with reference to a valuation report issued by Asset Appraisal Limited, an independent qualified valuer not connected to the Group. The change in fair value of the convertible note of approximately HK\$1,186,000 have been recognised in the profit or loss for the year ended 31 March 2011.

The assumptions adopted for the valuation of the convertible loan notes are as follows:

- (1) The estimation of risk free rate has made reference to the yield of Exchange Fund Bill with same duration as the convertible loan notes;
- (2) The estimation of volatility for the underlying share price has considered the historical price movements of those companies engaged in relatively to similar industry;
- (3) The discount rate was arrived at based on the Company's credit rating and select comparable corporate bonds with similar maturity and credit risk to derive the range of comparable yield to maturity as of date of valuation and the median range has been adopted.

26. 可換股借貸票據(續)

於二零一一年二月十一日，本公司與晉標訂立修訂契據，以將可換股借貸票據之到期日延期36個月及轉換期將相應從二零一一年三月十四日(延期日期)延期36個月至二零一四年三月十三日。除延長到期日及轉換期外，所有所換股借貸票據條款按原有條款維持不變。

功能貨幣從港元變為人民幣後，董事會認為可換股借貸票據於到期日延期時以固定關係不可轉換。因此，可換股借貸票據被指定為按公平值列賬並在損益內處理之衍生金融工具及於綜合財務狀況報表被分類為非流動負債。

可換股借貸票據經本公司董事參考與本集團無關連之獨立合資格估值師資產評估顧問有限公司所出具估值報告進行估值。可換股借貸票據之公平價變動約1,186,000港元已於截至二零一一年三月三十一日止年度之損益確認。

可換股借貸票據估值採納之假設如下：

- (1) 無風險利率參考年期與可換股借貸票據相同之外匯基金票據收益率作出估計；
- (2) 相關股價波幅之估計已考慮從事類似行業之公司之過往價格變動；
- (3) 貼現率根據本公司之信貸評級及具有類似到期期限及信貸風險之指定可資比較公司債券而達致，以得出於估值日之可資比較到期收益範圍，計算時採納中位範圍。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

26. CONVERTIBLE LOAN NOTES (continued)

The fair value of the convertible loan notes was calculated using the binomial model. Major parameter adopted in the calculation of the fair value are summarised below into the model was as follow:

		31 March 2011	14 March 2011
		二零一一年 三月三十一日	二零一一年 三月十四日
Stock price	股價	HK\$1.43 1.43港元	HK\$1.33 1.33港元
Exercise price	行使價	HK\$0.20 0.20港元	HK\$0.20 0.20港元
Risk free-rate	無風險利率	1.110%	1.024%
Discount rate	貼現率	10.071%	10.176%
			HK\$'000 千港元

The movement of the convertible loan notes for the year is set out below:	可換股借貸票據於年內之變動載列如下：	
Recognition of convertible loan notes on 14 March 2011 (date of extension)	可換股借貸票據於二零一一年三月十四日(延期日期) 確認	200,000
Fair value change charged to the profit or loss	計入損益表之公平值變動	1,186
Carrying amount at 31 March 2011	二零一一年三月三十一日之賬面值	<u>201,186</u>

None of the convertible loan notes had been converted into ordinary shares of the Company during the year.

26. 可換股借貸票據(續)

可換股借貸票據之公平值採用二項式模式計算。計算公平值時採納並輸入模式之主要參數概述如下：

年內並無可換股借貸票據已獲轉換為本公司之普通股。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

27. SHARE CAPITAL

27. 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 2009,	於二零零九年四月一日、		
31 March 2010 and	二零一零年三月三十一日及		
31 March 2011	二零一一年三月三十一日之 結餘	5,000,000,000	500,000
Issued and fully paid:	已發行及繳足：		
Balance at 1 April 2009,	於二零零九年四月一日、		
31 March 2010 and	二零一零年三月三十一日及		
31 March 2011	二零一一年三月三十一日之 結餘	765,373,584	76,537

28. DEFERRED TAX

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

28. 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。

		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 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
Exchange realignment	匯兌調整	-	1,542	-	1,542
Credit to consolidated statement of comprehensive income for the year	於本年度之綜合全面收益表計入	-	(10,837)	-	(10,837)
At 31 March 2011	於二零一一年三月三十一日	50	24,069	(50)	24,069

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

28. DEFERRED TAX (continued)

At 31 March 2011, the Group had unused tax losses of HK\$60,718,000 (2010: HK\$58,315,000) available for offset against future profits. A deferred tax asset has been recognised in respect of approximately HK\$302,000 (2010: HK\$302,000) of such losses. No deferred tax asset has been recognised in respect of the remaining tax losses of approximately HK\$60,416,000 (2010: HK\$58,013,000) due to the unpredictability of future profits streams. Tax losses may be carried forward indefinitely.

As 31 March 2011, the Group had deductible temporary differences of HK\$17,520,000 (2010: HK\$17,374,000). 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\$20,376,000 (2010: HK\$22,957,000) 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.

28. 遞延稅項(續)

於二零一一年三月三十一日，本集團之未動用稅項虧損為60,718,000港元(二零一零年：58,315,000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(二零一零年：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60,416,000港元(二零一零年：58,013,000港元)確認遞延稅項資產。稅項虧損可無限期結轉。

於二零一一年三月三十一日，本集團有可扣稅暫時差額17,520,000港元(二零一零年：17,374,000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20,376,000港元(二零一零年：22,957,000港元)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 2011 截至二零一一年三月三十一日止年度

29. PROVISION FOR CLOSE DOWN, RESTORATION AND ENVIRONMENTAL COSTS **29. 關閉、復墾及環境成本撥備**

		HK\$'000 千港元
At 1 April 2010	於二零一零年四月一日	-
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)
		<hr/>
At 31 March 2010	於二零一零年三月三十一日	1,790
Exchange difference	匯兌差額	83
		<hr/>
At 31 March 2011	於二零一一年三月三十一日	1,873

The provision for close down, restoration and environmental costs, in relation to all of the two mines of the Group, amounted to HK\$1,873,000 as at 31 March 2011.

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.

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.

於二零一一年三月三十一日，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1,873,000港元。

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。

根據現行法例，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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

29. PROVISION FOR CLOSE DOWN, RESTORATION AND ENVIRONMENTAL COSTS (continued)

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.

30. ACQUISITION OF FURTHER INTEREST IN SUBSIDIARIES/ACQUISITION OF SUBSIDIARIES

For the year ended 31 March 2011

On 17 August 2010, the Group completed the acquisition of further 49% equity interest in Star Fortune, at an aggregate consideration of HK\$50,000,000 satisfied in cash. The difference of approximately HK\$27,143,000 between the consideration paid and the decrease in the carrying amount of the non-controlling interests has been recognised directly in equity.

As at the end of the reporting period, both the performance guarantee (please refer to paragraph below) for the First Annual Period (defined below) and the profit guarantee (please refer to paragraph below) have been met. In addition, as stated in the conditional agreement on 20 May 2010 to acquire the further 49% equity interest in Star Fortune, the performance guarantee for the Second Annual Period (defined below) has been waived. Details of which are set out in the Company's announcement dated 2 June 2010. The transaction was approved by independent shareholders of the Company at a special general meeting held on 12 August 2010.

29. 關閉、復墾及環境成本撥備(續)

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。

30. 收購附屬公司額外權益／收購附屬公司

截至二零一一年三月三十一日止年度

於二零一零年八月十七日，本集團完成收購星力富鑫之額外49%股本權益，總代價為50,000,000港元，以現金支付。所付代價與非控股權益賬面值減少兩者間之差額約27,143,000港元，已直接於權益內確認。

於報告期間結束時，首個年度期間(定義見下文)之表現保證(請參閱下文)及溢利保證(請參閱下文)已獲達成。此外，誠如於二零一零年五月二十日就收購星力富鑫之額外49%股本權益訂立之有條件協議所載，第二個年度期間(定義見下文)之表現保證已獲豁免。詳情載於本公司日期為二零一零年六月二日之公佈。該項交易已於二零一零年八月十二日舉行之股東特別大會上獲本公司獨立股東批准。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

30. ACQUISITION OF FURTHER INTEREST IN SUBSIDIARIES/ACQUISITION OF SUBSIDIARIES (continued)

For the year ended 31 March 2010

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 consideration is subject to further adjustment per profit guarantee with the vendor and vendor's guarantor, which stated that net profit after tax attributable to the shareholder of Star Fortune shall not be less than HK\$40 million for the period from 1 January 2009 to 31 December 2009 in accordance with the HKGAAP. In the event of any shortfall in the guaranteed profit, the vendor shall pay the Group a maximum amount of HK\$28 million depending on the level of shortfall. In addition, the fair value of net assets is subject to further adjustment per performance guarantee with the vendor and the vendor's guarantor, which stated that the volume of coal sold by Star Fortune from 4 July 2009 to 3 July 2010 (the "First Annual Period"), and from 4 July 2010 to 3 July 2011 (the "Second Annual Period") respectively shall not be less than 900,000 tonnes for each period. If the said amount could not be achieved, the vendor and the vendor's guarantor shall deliver to Star Fortune a quantity of coal equivalent to the difference between the performance guarantee and the 12-month volume of coal sold by Star Fortune for each of the First Annual Period and the Second Annual Period. Details of which are set out in the Company's announcement dated 12 June 2009.

30. 收購附屬公司額外權益／收購附屬公司(續)

截至二零一零年三月三十一日止年度

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。

代價可根據賣方與賣方擔保人之溢利保證作進一步調整，有關溢利保證訂明，於二零零九年一月一日至二零零九年十二月三十一日止期間，根據香港普遍採納之會計準則編製之星力富鑫股東應佔除稅後純利不得少於40,000,000港元。倘未能達到保證溢利，賣方須因應缺額水平向本集團支付最多28,000,000港元。此外，資產淨值之公平值可根據賣方與賣方擔保人之保證表現作進一步調整，有關溢利保證訂明，星力富鑫由二零零九年七月四日至二零一零年七月三日(「首個年度期間」)以及由二零一零年七月四日至二零一一年七月三日(「第二個年度期間」)各段期間所售出之煤炭量不得少於900,000噸。倘未能達成上述數額，賣方與賣方擔保人須向星力富鑫交付煤炭，數量相當於表現保證與星力富鑫分別於首個年度期間及第二個年度期間所售出十二個月煤炭量之差額。有關詳情載於本公司日期為二零零九年六月十二日之公佈。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

30. ACQUISITION OF FURTHER INTEREST IN SUBSIDIARIES/ACQUISITION OF SUBSIDIARIES (continued)

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

30. 收購附屬公司額外權益／收購附屬公司(續)

於交易項下所收購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:	已收購資產淨值：			
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	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	(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	已收購資產淨值	196,416	(32,493)	163,923
Minority interests	少數股東權益			(80,322)
Goodwill arising on acquisition (Note 17)	收購所產生之商譽(附註17)			20,465
Total consideration	總代價			104,066
Satisfied by:	以下列方式償付：			
Deposits for acquisition of subsidiaries	收購附屬公司之訂金			2,000
Cash	現金			102,066
				104,066
Net cash outflow arising on acquisition:	收購所產生現金流出淨額：			
Cash consideration	現金代價			102,066
Bank balances and cash acquired	所收購銀行結存及現金			(32,461)
Net outflow of cash and cash equivalents in respect of the acquisition of subsidiaries	就收購附屬公司引致之現金及現金等值項目流出淨額			69,605

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

30. ACQUISITION OF FURTHER INTEREST IN SUBSIDIARIES/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.

30. 收購附屬公司額外權益／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。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

31. DEREGISTRATION OF A SUBSIDIARY

During the year ended 31 March 2011, the Group deregistered one of its subsidiaries, 德力時鐘(深圳)有限公司(“德力”).

Net assets of 德力 on 15 November 2010 at the date of deregistration:

31. 一間附屬公司撤銷註冊

於截至二零一一年三月三十一日止年度，本集團撤銷註冊其一間附屬公司德力時鐘(深圳)有限公司(「德力」)。

德力於二零一零年十一月十五日撤銷註冊日期之資產淨值：

		HK\$'000 千港元
Trade and other receivables	應收貨款及其他應收款	2,116
Bank balances and cash	銀行結存及現金	3
Trade and other payables	應付貨款及其他應付款	(2,009)
		110
Exchange translation reserve realised on deregistration of a subsidiary	一間附屬公司撤銷註冊時變現匯兌儲備	(518)
Net gain on deregistration	撤銷註冊收益淨額	408
Net cash outflow arising on deregistration of a subsidiary:	一間附屬公司撤銷註冊產生之現金流出淨額：	
Cash consideration	現金代價	-
Bank balances and cash disposed	所出售銀行結餘及現金	(3)
Net outflow of cash and cash equivalents in respect of deregistration of a subsidiary	一間附屬公司撤銷註冊產生之現金及現金等值項目流出淨額	(3)

The subsidiaries deregistered during the year ended 31 March 2011 had no significant impact on the turnover and results of the Group for that year.

於截至二零一一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度之營業額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 2011 截至二零一一年三月三十一日止年度

32. 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:

		2011	2010
		二零一一年	二零一零年
		HK\$'000	HK\$'000
		千港元	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
– sales of clocks	– 銷售時鐘	–	124
– rental expenses	– 租金開支	–	200
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	255	217
China Sonangol	安中國際		
– management fee income received	– 已收取管理費收入	–	5,000
– rental expenses	– 租金開支	600	480

Note: SFID is the holder of 49% equity interest of Star Fortune and is treated as the shareholder of Star Fortune until the completion of acquisition of a further 49% equity interest of Star Fortune on 17 August 2010.

32. 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：

附註：星力富鑫發展為星力富鑫49%股本權益之持有人，故被視為星力富鑫之股東，直至二零一零年八月十七日完成收購星力富鑫之額外49%股本權益為止。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

32. RELATED PARTY TRANSACTIONS (continued)

(ii) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Short-term benefits	短期福利	2,270	1,812
Post-employment benefits	離職後福利	38	33
		2,308	1,845

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

33. 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:

		2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within one year	一年內	758	724
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	360	10
		1,118	734

32. 關連人士交易(續)

(ii) 主要管理人員補償

年內董事及其他主要管理層成員之薪酬如下：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Short-term benefits	2,270	1,812
Post-employment benefits	38	33
	2,308	1,845

董事及主要行政人員之薪酬由薪酬委員會參照彼等之個人表現及市場趨勢後釐定。

33. 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：

	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Within one year	758	724
In the second to fifth years, inclusive	360	10
	1,118	734

34. 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.

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.

34. 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。

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%。

34. SHARE OPTION SCHEME (continued)

At the end of the reporting period, there was no remained outstanding share options granted under the scheme (2010: 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 2011 and 31 March 2010, no option was granted under the New Schemes to directors of and consultants of the Group.

There was no outstanding share option as at 1 April 2009, 31 March 2010 and 31 March 2011.

34. 購股權計劃(續)

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(二零一零年：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。

於截至二零一一年三月三十一日及二零一零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。

於二零零九年四月一日、二零一零年三月三十一日及二零一一年三月三十一日，概無尚未行使之購股權。

35. 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\$627,000 (2010: HK\$222,000) represents contributions payable to the schemes by the Group in respect of the current financial year.

35. 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為中國政府營辦之國家管理退休福利計劃之成員。退休計劃供款根據中國附屬公司僱員之薪金若干百分比計算，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627,000港元(二零一零年：222,000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 2011 截至二零一一年三月三十一日止年度

36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY **36. 本公司之財務狀況報表**

		Notes 附註	2011 二零一一年 HK\$'000 千港元	2010 二零一零年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		-	-
Investments in subsidiaries	於附屬公司之投資		-	-
			-	-
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司款	(a)	140,111	52,736
Other receivables	其他應收款項		416	-
Bank balances and cash	銀行結存及現金		176,583	272,837
			317,110	325,573
Current liabilities	流動負債			
Trade and other payables	應付貨款及其他應付款項		1,355	735
Amount due to ultimate holding company	應收最終控股公司款項	(a)	573	-
Convertible loan notes	可換股借貸票據		192,227	180,410
			194,155	181,145
Net current assets	流動資產淨值		122,955	144,428
Total assets less current liabilities	總資產減流動負債		122,955	144,428
Capital and reserves	股本及儲備			
Share capital	股本		76,537	76,537
Reserves	儲備	(b)	46,418	67,891
			122,955	144,428

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

綜合財務報表附註(續)

For the year ended 31 March 2011 截至二零一一年三月三十一日止年度

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

(a) Amounts due from subsidiaries/Amount due to ultimate holding company

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

(b) Reserves

36. 本公司之財務狀況報表(續)

(a) 應收附屬公司款項/應收最終控股公司款項

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	Exchange translation reserve	Contributed surplus	Accumulated losses	Total
		股份溢價	可換股借貸票據儲備	匯兌儲備	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 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
Loss and comprehensive expense for the year	年內虧損及全面開支	-	-	-	-	(33,591)	(33,591)
Other comprehensive income for the year	年內其他全面開支	-	-	12,118	-	-	12,118
Release during the year upon expiring of convertible loan notes	可換股借貸票據屆滿時解除	-	(55,495)	-	-	55,495	-
At 31 March 2011	於二零一一年三月三十一日	191,534	-	12,118	128,013	(285,247)	46,418

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 2011 截至二零一一年三月三十一日止年度

37. PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries held by the Company as at 31 March 2011 and 31 March 2010 are as follows:

37. 主要附屬公司

本公司於二零一一年三月三十一日及二零一零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
				2011 二零一一年 %	2010 二零一零年 %	
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 Non-voting deferred shares 無投票權遞延股	Hong Kong 香港	HK\$1,000 1,000港元 HK\$2,000,000# 2,000,000港元#	100	100	Inactive 暫無業務
Wehrle Uhrenfabrik GmbH	Ordinary 普通股	Germany 德國	EUR255,646 255,646歐元	100	100	Inactive 暫無業務
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	Inactive 暫無業務
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	100	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 2011 截至二零一一年三月三十一日止年度

37. 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.

* Deregistered during the year ended 31 March 2011.

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.

37. 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。

* 截至二零一一年三月三十一日止年度撤銷註冊。

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。

FIVE YEARS FINANCIAL SUMMARY

五年財務摘要

For the year ended 31 March 2011 (Express in thousands of Hong Kong dollars)
截至二零一一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 non-controlling interests of the Group for the last five financial years is set out below.

本集團於過去五個財政年度已公佈業績、資產及負債以及非控股權益載列如下。

RESULTS

業績

		Year ended 31 March 截至三月三十一日止年度				
		2011 二零一一年	2010 二零一零年	2009 二零零九年	2008 二零零八年	2007 二零零七年
TURNOVER	營業額	104,428	96,090	23,105	137,164	173,405
LOSS FROM OPERATIONS	經營虧損	(15,402)	(7,651)	(14,822)	(21,631)	(84,700)
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	408	–	2,618	215	–
Finance costs	融資成本	(19,845)	(18,756)	(16,640)	(974)	(2,820)
Impairment loss recognised in respect of intangible asset	就無形資產確認之減值虧損	(41,595)	–	–	–	(46,440)
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	(15,065)	(5,400)	–	–	(3,963)
Loss before tax	除稅前虧損	(92,685)	(31,807)	(28,841)	(21,721)	(128,038)
Income tax credit (expense)	所得稅抵免(開支)	10,730	(2,163)	77	(524)	3,243
Loss for the year	年內虧損	(81,955)	(33,970)	(28,764)	(22,245)	(124,795)
Attributable to:	應佔：					
Owners of the Company	本公司擁有人	(81,094)	(31,789)	(28,764)	(22,245)	(124,577)
Non-controlling interests	非控股權益	(861)	(2,181)	–	–	(218)
		(81,955)	(33,970)	(28,764)	(22,245)	(124,795)

FIVE YEARS FINANCIAL SUMMARY (continued)**五年財務摘要(續)**

For the year ended 31 March 2011 (Express in thousands of Hong Kong dollars)

截至二零一一年三月三十一日止年度 (以千港元為單位)

ASSETS AND LIABILITIES AND NON-CONTROLLING INTERESTS **資產及負債以及非控股權益**

		At 31 March				
		於三月三十一日				
		2011	2010	2009	2008	2007
		二零一一年	二零一零年	二零零九年	二零零八年	二零零七年
Total assets	總資產	390,997	543,233	385,977	403,730	86,535
Total liabilities	總負債	(259,316)	(283,832)	(172,509)	(169,569)	(34,908)
Non-controlling interests	非控股權益	-	(78,004)	-	-	211
Net assets	資產淨值	131,681	181,397	213,468	234,161	51,838

