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For the year ended 31 December 2014, the Group recorded a turnover of HK$7,882 million, a growth of 17% over the corresponding period of 2013. Profit after taxation attributable to shareholders of the Company excluding the unrealised exchange loss amounted to HK$1,195 million, an increase of 26% as compared to the corresponding period last year. Profit after taxation attributable to shareholders of the Company amounted to HK$1,054 million, a decrease of 5% as compared to the corresponding period last year. Basic earnings per share amounted to 40.19 HK cents, representing a decrease of 5% compared to the corresponding period of 2013.

Turnover

Turnover from the sales of piped gas and related products increased 18% from HK$5,265 million to HK$6,205 million in 2014. This growth was primarily attributable to the increase in the volume of gas sold and higher average gas sale prices. The total volume of gas sold by subsidiaries during the year amounted to 1,726 million cubic metres, an increase of 10% from 2013. In the gas connection business, income from connection fees for the year amounted to HK$1,677 million, a rise of 16% compared to 2013. This was attributable to an increase of approximately 373,000 new household connections by subsidiaries in 2014.

Gas Fuel, Stores and Materials Used

The cost of gas fuel, stores and materials used in 2014 amounted to HK$5,128 million, while that was HK$4,275 million in 2013. The increase in expenses was mainly attributable to the increase in the volume of gas sold.

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Overhead Costs

Overhead costs in 2014 amounted to HK$1,688 million, up 11% as compared to HK$1,516 million in 2013. The increase was mainly due to the Group's business development together with escalations in wages and inflation. Staff costs and depreciation and amortisation expenses rose by 17% and 21%, respectively. At the same time, an increase of HK$64 million in overheads was due to the inclusion of new subsidiaries in 2014.

Staff Costs

Staff costs increased from HK$671 million in 2013 to HK$788 million in 2014. The increase in staff costs was due to the increase in the number of staff in line with our business development needs, the addition of new subsidiaries and higher average salaries on the mainland.

Finance Costs

Finance costs in 2014 amounted to HK$174 million, a slight increase as compared to 2013. This rise in finance costs reflected the increase in loans due to the acquisition of new projects in 2014.

Available-for-sale Investments

Available-for-sale investments mainly consisted of the Group's investment in Chengdu City Gas Co., Ltd. ("Chengdu Gas"), which pays increasing dividends to the Group every year. Chengdu Gas was stated at cost and no impairment provision was required during the year.

Gas equipment of China First Heavy Industries (Group) Co. Ltd, a customer of Qiqihar Hong Kong and China Gas Company Limited.

Financial Position

The Group has adopted a prudent approach in financial resources management, maintaining an appropriate level of cash and cash equivalents as well as adequate facilities to meet the requirements of day-to-day operations and business development, while also controlling borrowings at a healthy level.

As at 31 December 2014, the Group's total borrowings amounted to HK$7,552 million, of which HK$994 million represented loans from HKCG due between 2 to 5 years, HK$2,483 million represented bank loans and other loans due within 1 year, HK$4,048 million represented bank loans and other loans due between 1 to 5 years, and HK$27 million represented bank loans and other loans due over 5 years. The Group entered into an interest rate swap contract to swap the 5 year variable-rate bank borrowing of HK$350 million to the fixed-rate borrowing in 2011. Other than the HK$677 million in bank loans and other borrowings which bore interests at fixed rates, the Group's loans were mainly arranged on a floating interest rate basis. The maturities and interest rates of the loans were arranged to provide sound financial resources and stable interest costs for the Group. The Group's borrowings are mainly denominated in Renminbi, Hong Kong dollars and United States dollars. As at 31 December 2014, the Group did not have any pledge on assets. As at the end of the period, the Group had a gearing ratio (net debt excluding the HKCG loans ("Net Debt") to equity attributable to shareholders of the Company plus Net Debt) of 26.4%.

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The Group's compressed natural gas refilling stations helped to improve air quality by providing clean energy to vehicles.

As at 31 December 2014, the Group's cash and cash equivalents together with time deposits amounted to HK$1,797 million, mainly denominated in Renminbi, Hong Kong dollars and United States dollars.

As at 31 December 2014, the Group's unutilised available facilities amounted to HK$1,000 million.

The operating and capital expenditure of the Group is funded by cash flow from operations, internal liquidity and financing agreements with banks and its shareholders. The Group maintains a strong liquidity position with its cash and cash equivalents on hand and unutilised banking facilities and we have adequate financial resources to meet our contractual obligations and operating requirements. Benefiting from our high credit ratings, the Group enjoys favourable interest rates on bank loans.

Credit Ratings

In May 2014, Standard & Poor's upgraded the Greater China credit rating of the Company from "cnA" to "cnA+" and maintained its long-term corporate credit rating at "BBB", while the rating outlook rose from "stable" to "positive". In July 2014, Moody's Investor Service maintained an issuer rating of "Baa2" for the Company and upgraded the rating outlook from "stable" to "positive", reflecting the credit rating agencies' recognition of the Group's sound financial conditions and its improving credit standing.

Contingent Liabilities

The Group had no material contingent liabilities as at 31 December 2014.

Final Dividend

In view of the continuous growth in the Group's results, the Board recommended the payment of a final dividend for the year ended 31 December 2014 of ten HK cents per share (2013: eight HK cents per share). The Board also proposed to offer a scrip dividend option to allow shareholders to elect to receive the final dividend wholly or partly in the form of new fully paid shares instead of in cash.