

Consolidated Cash Flow Statement

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For the year ended 31 March 2003

	2003	2002
	HK\$'000	HK\$'000
Operating activities		
Profit before taxation	77,576	96,896
Adjustments for:		
Interest income	(1,681)	(2,186)
Interest expenses	1,603	1,009
Depreciation and amortisation of property, plant and equipment	3,940	4,427
Loss on disposal of property, plant and equipment	661	540
Gain on disposal of investment properties	—	(5,170)
Deficit arising on revaluation of investment properties	1,500	2,100
Release of negative goodwill	(202)	(200)
Amortisation of premium on acquisition of held-to-maturity securities	54	54
Amortisation of discount on acquisition of held-to-maturity securities	(4)	(4)
Unrealised losses (gain) on trading securities	607	(15)
Operating cash flows before movements in working capital	84,054	97,451
Increase in inventories	(40,906)	(51,672)
Increase in trade and other receivables	(16,019)	(8,084)
Increase in trade and other payables	13,526	11,956
Net cash generated from operations	40,655	49,651
Hong Kong Profits Tax paid	(9,691)	(18,500)
Mainland China income tax paid	(403)	(194)
Net cash generated from operating activities	30,561	30,957
Investing activities		
Interest received	1,681	2,186
Proceeds from disposal of investment properties	—	33,250
Purchase of property, plant and equipment	(2,723)	(2,319)
Acquisition of additional interests in subsidiaries	—	(1,882)
Purchase of investments in securities	—	(8,907)
Proceeds from disposal/maturity of held-to-maturity securities	5,000	3,900
Decrease (increase) in pledged bank deposits	12,750	(22,300)
Net cash generated from investing activities	16,708	3,928

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For the year ended 31 March 2003

	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
Financing activities		
Interest paid	(1,603)	(1,009)
Dividends paid	(17,891)	(23,396)
Short-term bank loans raised	28,773	19,717
Repayment of short-term bank loans	(24,245)	—
Repayment of obligations under a finance lease	(141)	(108)
Repayment of advance to a minority shareholder	—	(6,720)
Repayment of mortgage loan	—	(8,255)
Net cash used in financing activities	(15,107)	(19,771)
Increase in cash and cash equivalents	32,162	15,114
Cash and cash equivalents at 1 April	66,873	51,759
Cash and cash equivalents at 31 March	99,035	66,873
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	101,069	71,013
Bank overdrafts	(2,034)	(4,140)
	99,035	66,873