

## Consolidated Cash Flow Statement (Year ended 31 March 2004)

	Notes	2004 HK\$'000	2003 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		<b>(12,060)</b>	(38,723)
Adjustments for:			
Depreciation	13	<b>3,535</b>	8,644
(Gain)/loss on disposal of fixed assets	6	<b>(526)</b>	1,109
Impairment of fixed assets	6	–	10,610
Revaluation (surplus)/deficit on fixed assets	6	<b>(127)</b>	168
Share of (profits)/losses of jointly controlled entities		<b>3</b>	(6,128)
Loss on disposal of subsidiaries	23	–	2,204
Loss on disposal of an associate		–	1,126
Interest income	6	<b>(26)</b>	(90)
Finance costs	7	<b>14,150</b>	15,002
Operating profit/(loss) before working capital changes		<b>4,949</b>	(6,078)
(Increase)/decrease in trade receivables		<b>(434)</b>	1,664
Decrease in prepayments, deposits and other receivables		<b>2,507</b>	4,239
Decrease in inventories		<b>1,129</b>	1,471
Decrease in trade payables		<b>(3,119)</b>	(5,269)
Decrease in other payables and accruals		<b>(3,011)</b>	(691)
Decrease in provision for long service payments		<b>(2,986)</b>	(129)
Cash used in operations		<b>(965)</b>	(4,793)
Hong Kong profits tax paid		<b>(130)</b>	(36)
Net cash outflow from operating activities		<b>(1,095)</b>	(4,829)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from disposal of subsidiaries	23	–	1,500
Proceeds from disposal of an associate		–	4,500
Dividends received from a jointly controlled entity		<b>130</b>	5,000
Purchases of fixed assets	13	<b>(1,080)</b>	(1,208)
Proceeds from disposal of fixed assets		<b>2,000</b>	370
Decrease in pledged bank deposits		–	615
Advances from/(to) jointly controlled entities		<b>(3,555)</b>	5,744
Advances to an associate		–	(28)
Interest received		<b>26</b>	90
Professional fees paid for disposal of investment properties		<b>(1,267)</b>	–
Net cash inflow/(outflow) from investing activities		<b>(3,746)</b>	16,583

**Consolidated Cash Flow Statement (continued)** (Year ended 31 March 2004)

	Notes	<b>2004</b> <b>HK\$'000</b>	2003 HK\$'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
New bank loans		–	20,066
Repayment of bank loans		<b>(3,311)</b>	(20,438)
New other loans		<b>16,000</b>	–
Repayment of other loans		<b>(5,000)</b>	(5,000)
Capital element of finance lease rental payments		<b>(293)</b>	(496)
Contribution from minority shareholders		–	5
Advances from/(repayment to) minority shareholders		<b>(332)</b>	1,035
Proceeds from issue of share capital	21	<b>6,300</b>	389
Interest paid		<b>(14,208)</b>	(15,894)
Interest element on finance lease rental payments		<b>(27)</b>	(69)
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Net cash outflow from financing activities		<b>(871)</b>	(20,402)
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<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(5,712)</b>	(8,648)
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Cash and cash equivalents at beginning of year		<b>(7,893)</b>	755
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<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>(13,605)</b>	(7,893)
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<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		<b>6,085</b>	12,487
Time deposits with original maturity of less than three months when acquired, pledged as security for bank overdraft facilities		<b>6,204</b>	6,179
Bank overdrafts	17	<b>(25,894)</b>	(26,559)
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		<b>(13,605)</b>	(7,893)
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