

Consolidated Cash Flow Statement

For the year ended 31 March 2005

(Expressed in Hong Kong dollars)

Note	2005 \$'000	2004 \$'000
Operating activities		
Profit from ordinary activities before taxation	34,227	33,425
Adjustments for:		
– Depreciation	187	119
– Finance costs	2,495	4,324
– Provision for amount due from jointly controlled entity	2,400	–
– Net loss on disposals of fixed assets	136	–
– Share of loss of associate	1,351	–
– Share of losses of jointly controlled entities	4,654	400
– Change in fair value of investment properties	(40,464)	(34,650)
– Interest income	(1,332)	(229)
– Write-back of long-outstanding payables	(1,352)	–
– Net gain on disposal of a subsidiary	–	(10)
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– Net realised loss on trading securities carried at fair value	–	1,988
– Provision for bad and doubtful debts	–	1,875
	2,302	7,242
Operating results before changes in working capital		
Decrease in amounts due to related companies	–	(1,890)
Decrease in trade and other receivables	702	1,916
Decrease in other payables and accruals	(7)	(1,955)
	2,997	5,313
Cash generated from operations		
Tax refund received	293	–
Hong Kong profits tax paid	(674)	(1,643)
	2,616	3,670

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	Note	2005 \$'000	2004 \$'000
Investing activities			
Interest received		75	166
Proceeds from disposal of fixed assets		441	–
Proceeds from disposal of other investments		5,850	–
Loan advanced to jointly controlled entities		(39,623)	(10,000)
Payments for acquisition of an associate		(631)	–
Payments for acquisition of other investments		–	(11,700)
Contributions made to Gobi Fund	27(a)(i)	(2,340)	–
Payments for purchase of fixed assets		(5,311)	(199)
Payments for acquisition of a jointly controlled entity		–	(91,782)
Proceeds from disposal of trading securities		–	852
Net cash used in investing activities		(41,539)	(112,663)
Financing activities			
Proceeds from convertible notes		70,000	–
Repayment of bank loans		(12,773)	(202,139)
Repayment of loan from a related company		(12,078)	–
Payment of loan interest		(2,495)	(3,972)
Gross proceeds from issue of shares		–	132,595
Placement of pledged deposits		–	(20,000)
Proceeds from bank loans		–	200,000
Share issue expenses paid		–	(1,010)
Net cash from financing activities		42,654	105,474
Net increase/(decrease) in cash and cash equivalents		3,731	(3,519)
Cash and cash equivalents at the beginning of the year		9,583	13,102
Cash and cash equivalents at the end of the year	17	13,314	9,583

The notes on pages 29 to 70 form part of these financial statements.