

CONSOLIDATED CASH FLOW STATEMENT (FOR THE YEAR ENDED 31 DECEMBER 2002)

Note	2002 HK\$'000	2001 HK\$'000
LOSS FROM ORDINARY ACTIVITIES BEFORE TAXATION	(5,051)	(3,681)
ADJUSTMENTS FOR:		
Interest income	(985)	(169)
Interest expenses	5,975	3,607
Interest on obligations under hire purchase contracts	–	41
Share of results of an associate	(185)	(16)
Amortisation of goodwill	2,793	1,396
Depreciation	1,164	604
Loss/(gain) on disposals of property, plant and equipment	8	(18)
Gain on disposals of investment properties	(129)	–
Provision for doubtful debts	5,309	8,700
Provision for impairment loss of properties held for sale	382	115
Provision for impairment loss of investment properties	926	1,060
Gain on disposals of subsidiaries	(676)	–
Amortisation on investment in a property development joint venture	2,160	2,160
	16,742	17,480
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	11,691	13,799
CAPITAL CHANGES		
Decrease in properties under development for sale	120,940	6,702
(Increase)/decrease in properties held for sale	(53,198)	9,778
(Increase)/decrease in loans receivable	(5,691)	4,259
Decrease/(Increase) in other receivable, deposits and prepayments	6,140	(15,553)
(Decrease)/increase in trade payables, deposits and accruals	(18,779)	12,188
(Decrease)/increase in deposits received for sale of developed properties	(23,219)	14,884
	26,193	32,258
CASH GENERATED FROM OPERATIONS	37,884	46,057
Interest received	985	169
Interest paid	(5,975)	(3,607)
Interest on obligations under a hire purchase contract	–	(41)
Overseas tax paid	(184)	(50)
	(5,174)	(3,529)

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	<i>Note</i>	2002 HK\$'000	2001 HK\$'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(26,334)	(263)
Sale proceeds on disposals of property, plant and equipment		–	49
Sale proceeds on disposals of investment properties		215	–
Payments for deposits for acquisition of land		(9,500)	(68,802)
Acquisition of an associate		–	(28,302)
Advance to an associate		(6)	(1,725)
Withdrawal/(placement) of pledged bank deposits		38,943	(38,432)
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES		3,318	(137,475)
NET CASH INFLOW/(OUTFLOW) BEFORE FINANCING		36,028	(94,947)
FINANCING			
	<i>30(a)</i>		
Proceeds from issue of shares		1,017	27,200
Expenses incurred in connection with issue of shares		(200)	(614)
New other loans raised		692	–
Bank loans (repaid)/obtained		(40,593)	71,397
Repayment of obligations under hire purchase contracts		–	(135)
Advances/(repayments of advances) from a director		29,787	(661)
Repayment of advances from a minority shareholder of a subsidiary		–	(5,257)
NET CASH (OUTFLOW)/INFLOW FROM FINANCING		(9,297)	91,930
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		26,731	(3,017)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,168	3,001
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		(434)	1,184
CASH AND CASH EQUIVALENTS AT END OF YEAR		27,465	1,168
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		27,465	2,976
Bank overdrafts, secured		–	(1,808)
		27,465	1,168

The notes on pages 26 to 55 form an integral part of these financial statements.