

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2003

■ CULTURECOM HOLDINGS LIMITED

	2003	2002
	HK\$'000	HK\$'000
OPERATING ACTIVITIES		
Loss before taxation	(150,937)	(197,640)
Adjustments for:		
Amortisation of goodwill	220	278
Amortisation of development costs	18,431	26,525
Depreciation and amortisation of property, plant and equipment	10,957	10,412
Dividend income	(375)	(692)
Interest expenses	16	3
Interest income	(754)	(3,274)
Loss (gain) on disposal of property, plant and equipment	99	(31)
Impairment loss recognised in respect of goodwill arising on acquisition of subsidiaries	–	8,000
Impairment loss recognised in respect of goodwill arising on acquisition of associates	4,389	–
Impairment loss recognised in respect of investment securities	–	36,029
Share of results of associates	8,518	6,271
Share of result of a jointly controlled entity	2,607	–
Gain on deemed disposal of associates	–	(1,682)
Gain on disposal of subsidiaries	(16,328)	–
Gain on expiry of warrants	(97)	–
Allowances for loans to associates	28,000	–
Write-down of inventories	1,078	–
Allowances for other debtors and deposits	25,975	42,310
Net realised loss on investments in securities	1,898	–
Unrealised loss on other investments	5,565	14,681
Operating cash flows before movements in working capital	(60,738)	(58,810)
(Increase) decrease in inventories	(14,405)	552
Decrease (increase) in trade debtors	2,930	(6,135)
Increase in other debtors, deposits and prepayments	(6,823)	(21,625)
(Decrease) increase in trade creditors	(1,377)	289
Increase in other creditors and accrued charges	1,541	484
Increase in amounts due from related companies	(2,093)	(2,446)
Increase in amount due from a jointly controlled entity	(23)	–
(Decrease) increase in amounts due to related companies	(1,763)	104
NET CASH USED IN OPERATIONS	(82,751)	(87,587)
Interest received	754	3,274
Hong Kong Profits Tax paid	–	(305)
Hong Kong Profits Tax refunded	204	450
NET CASH USED IN OPERATING ACTIVITIES	(81,793)	(84,168)

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	Notes	2003 HK\$'000	2002 HK\$'000
INVESTING ACTIVITIES			
Disposal of subsidiaries	27	(2,318)	–
Proceeds from disposal of property, plant and equipment		23	713
Purchase of investments in securities		(1,200)	(99,305)
Proceeds from disposal of investments in securities		13,047	69,813
Deposits refunded for acquisition of investments		–	10,000
Dividend received from investments in securities		375	692
Acquisition of interests in associates		(27,005)	–
Acquisition of interest in a jointly controlled entity		(9,500)	–
Purchase of property, plant and equipment		(6,656)	(8,169)
Acquisition of subsidiaries	28	–	1,163
Additions to development costs		(14,920)	(26,470)
Advances to associates		(11,225)	–
Repayment of advances to associates		–	472
NET CASH USED IN INVESTING ACTIVITIES		(59,379)	(51,091)
FINANCING ACTIVITIES			
Net proceeds from issue of shares		61,139	20,732
Net proceeds from issue of warrants		–	24,763
Interest paid		(16)	(3)
Repayment of obligations under a finance lease		(50)	–
NET CASH FROM FINANCING ACTIVITIES		61,073	45,492
NET DECREASE IN CASH AND CASH EQUIVALENTS		(80,099)	(89,767)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		95,916	186,005
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		18	(322)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		15,835	95,916
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS			
Deposits with banks and other financial institutions		15,835	95,916