

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2003

	Note	2003 HK\$	2002 HK\$ (restated)
<b>Cash flows from operating activities</b>			
Loss before taxation		(75,179,109)	(174,367,839)
Adjustments for:			
Share of results of jointly controlled entities		–	6,715,082
Share of results of associates		(259,941)	(241,719)
Deficit on revaluation of investment properties		1,610,000	27,290,000
Provision for impairment loss on hotel properties		12,500,000	–
Depreciation of hotel properties and owned fixed assets		11,871,682	12,522,980
Adjustment for over-charge on depreciation of fixed assets		(578,734)	–
Interest income		(222)	(7,563)
Interest expenses		55,293,968	67,552,162
Provision for doubtful debts		1,369,655	2,482,018
Provision for inventories		473,389	–
Loss on disposal of fixed assets		218,470	55,280
(Gain)/loss on disposal of investment properties		(2,023,664)	1,246,082
Loss on disposal of a jointly controlled entity		–	58,524,946
Goodwill/negative goodwill adjustment		–	(20,309,992)
(Write back of)/provision for loans to jointly controlled entities		(10,360,818)	19,035,338
Operating (loss)/profit before working capital changes		(5,065,324)	496,775
Decrease in loan to a jointly controlled entity		–	15,294,388
Decrease/(increase) in an amount due from a related company	27(a)	11,394,838	(15,294,388)
(Increase)/decrease in accounts receivable, utility deposits and prepayments		(941,501)	4,869,923
Decrease/(increase) in inventories		216,859	(94,412)
(Decrease)/increase in accounts payable, accrued charges and tenants' deposits		(1,493,165)	4,195,915
Cash generated from operations		4,111,707	9,468,201
Interest paid		(65,583,032)	(26,113,299)
Hong Kong profits tax refunded		–	38,009
<b>Net cash outflow from operating activities</b>		<b>(61,471,325)</b>	<b>(16,607,089)</b>
<b>Cash flows from investing activities</b>			
Purchase of fixed assets		(1,159,010)	(309,468)
Net proceeds from disposal of charged investment properties	13(b)	126,623,664	64,225,578
Loan repayment from a jointly controlled entity		16,324,055	1,949,250
Net proceeds from disposal of a jointly controlled entity		–	15,167,189
Interest received		222	7,563
Dividends received from associates	27(b)	–	118,000
<b>Net cash inflow from investing activities</b>		<b>141,788,931</b>	<b>81,158,112</b>

# CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2003

annual report 2003

Note	2003 HK\$	2002 HK\$ (restated)
<b>Cash flows from financing activities</b>		
New loans raised	–	17,176,717
Repayment of loans	<b>(87,535,964)</b>	(80,803,120)
Advances from a shareholder	<b>343,759</b>	–
Advances from an associate	<b>300,000</b>	–
Advances from third parties	<b>7,088,625</b>	–
Advances from a minority shareholder	–	4,077
Dividend paid	–	(462)
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<b>Net cash used in financing activities</b>	<b>(79,803,580)</b>	(63,622,788)
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<b>Net increase in cash and cash equivalents</b>	<b>514,026</b>	928,235
<b>Cash and cash equivalents at 1 April 2002/2001</b>	<b>1,935,801</b>	1,270,193
<b>Effect of foreign exchange rate changes</b>	<b>54,717</b>	(262,627)
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<b>Cash and cash equivalents at 31 March 2003/2002</b>	<b>2,504,544</b>	1,935,801
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<b>Analysis of Cash and Cash Equivalents</b>		
Cash and bank balances	<b>2,504,544</b>	1,935,801
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The accompanying notes form an integral part of these financial statements.