

# Consolidated Cash Flow Statement

For the year ended 31 July 2003

	Note	2003 HK\$'000	2002 HK\$'000
<b>Cash inflows from operating activities</b>			
Loss before taxation		(18,016)	(78,397)
Adjustments for:			
Depreciation and amortisation		16,668	14,737
Finance charges on finance leases		–	3
Interest income		–	(1)
Interest expenses		13,474	13,806
Loss on disposal of property, plant and equipment		784	7,104
Provision for bad and doubtful debts		17,762	21,946
(Reversal)/Provision for impairment in value of vessels		(19,505)	25,759
Reversal for claim for repair and maintenance of vessels		–	(4,900)
Gain on deemed disposal of a subsidiary	27(a)	(17,579)	–
<b>Operating (loss)/profit before working capital changes</b>		<b>(6,412)</b>	<b>57</b>
Increase in trade and other receivables		(13,799)	(13,165)
Increase in amounts due from related companies		(598)	(5,675)
Increase in trade and other payables		1,498	5,490
Increase in amounts due to related companies		18,549	14,653
<b>Cash (used in)/generated from operations</b>		<b>(762)</b>	<b>1,360</b>
Finance charges on finance leases		–	(3)
Interest paid		–	(3,280)
Income taxes paid		(16)	–
<b>Net cash used in operating activities</b>		<b>(778)</b>	<b>(1,923)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(1,748)	(115)
Proceeds from sale of property, plant and equipment		1,569	8,988
Deemed disposal of a subsidiary, net of cash disposed		(13)	–
Interest received		–	1
<b>Net cash (used in)/generated from investing activities</b>		<b>(192)</b>	<b>8,874</b>
<b>Cash flows from financing activities</b>			
Proceeds from issuance of share capital		7,497	–
Other loan raised		–	3,000
Repayment of bank and other loans		(9,668)	(3,800)
Repayment of finance lease liabilities		–	(234)
<b>Net cash used in financing activities</b>		<b>(2,171)</b>	<b>(1,034)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>			
Cash and cash equivalents at 1 August 2002		3,626	(112)
Effect of foreign exchange rate change, net		65	(2,179)
Cash and cash equivalents at 31 July 2003		<b>550</b>	<b>3,626</b>
<b>Analysis of balances of cash and cash equivalent</b>			
Cash and bank balances		781	3,833
Bank overdraft		(231)	(207)
		<b>550</b>	<b>3,626</b>