

Consolidated Cash Flow Statement

For the year ended 31 December 2003



	2003 HK\$'000	2002 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	13,221	16,566
Adjustments for:		
Depreciation	9,924	9,626
Impairment of fixed assets	–	327
Provision for doubtful debts	719	–
Amortisation of goodwill	74	74
Share of loss/(profit) of an associated company	410	(44)
Interest expense	2,762	3,358
Interest income	(378)	(161)
Operating profit before working capital changes	26,732	29,746
Increase in trade and other receivables	(14,611)	(18,725)
Increase in inventories	(26)	(527)
Increase/(decrease) in trade and other payables	4,518	(155)
Cash generated from operations	16,613	10,339
Interest paid	(2,762)	(3,358)
Income taxes paid	(7,020)	(942)
Net cash from operating activities	6,831	6,039
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(2,743)	(2,911)
Investment in an associated company	–	(40)
Interest received	378	161
Net cash used in investing activities	(2,365)	(2,790)



Consolidated Cash Flow

Statement (continued)

For the year ended 31 December 2003

	Note	2003 HK\$'000	2002 HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES			
New loans payable	24(a)	72,574	4,245
Repayment of bank loans	24(a)	(26,093)	(11,811)
(Decrease)/increase in trust receipt loans		(12,877)	558
Payment of finance lease liabilities	24(a)	(230)	(220)
Net cash from/(used in) financing activities		<u>33,374</u>	<u>(7,228)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		37,840	(3,979)
BANK BALANCES AND CASH AT 1 JANUARY			
		15,510	19,508
Effect of foreign exchange rate changes		–	(19)
BANK BALANCES AND CASH AT 31 DECEMBER		<u>53,350</u>	<u>15,510</u>