

Consolidated Cash Flow Statement

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for the year ended 31st December, 2003

	2003 HK\$'000	2002 HK\$'000
Operating activities		
Profit (loss) from operations	160,493	(423,017)
Adjustments for:		
Deficits arising on revaluation of investment properties	5,645	443,448
Impairment loss recognised in respect of non-trading securities	6,524	12,306
Impairment loss recognised in respect of properties held for sale	22,546	104,000
Impairment loss recognised in respect of properties under development	12,200	17,100
Depreciation	20,772	22,089
Loss on disposal of a jointly controlled entity	5,549	–
Loss (profit) on disposal of associates	3,088	(3,725)
Loss (profit) on disposal of subsidiaries	2,597	(1,301)
Amortisation of intangible assets	2,780	1,366
Loss (profit) on disposal of non-trading securities	753	(1,119)
Loss on disposal of fixed assets	432	1,047
(Write-back of) loss arising from default of loan agreement with Millennium Touch Limited (note 23)	(26,412)	10,110
Bad and doubtful debts (written back) provided	(19,339)	38,659
Net unrealised (profit) loss on trading securities	(3,311)	3,336
Intangible assets written off	–	4,472
Operating cash flow before movements in working capital	194,317	228,771
Increase in properties under development for sale	–	(51,185)
Decrease in properties held for sale and other inventories	19,220	118,378
(Increase) decrease in trading securities	(9,903)	8,391
(Increase) decrease in accounts receivable, deposits and prepayments	(844,918)	562,099
Increase in accounts payable and accrued charges	759,204	122,079
Increase (decrease) in amount due to Allied Group Limited	21,603	(5,786)
Cash generated from operations	139,523	982,747
Tax outside Hong Kong refunded (paid)	95	(1,513)
Interest paid	(62,220)	(78,431)
Hong Kong Profits Tax paid	(6,376)	(17,001)
Tax reserve certificates refunded	–	11
Net cash from operating activities	71,022	885,813

Consolidated Cash Flow Statement (Cont'd)

for the year ended 31st December, 2003

	Notes	2003 HK\$'000	2002 HK\$'000
Investing activities			
Proceeds on disposal of a jointly controlled entity		87,500	–
Amounts repaid by associates		22,342	10,517
Dividends received from associates		17,812	18,602
Proceeds on disposal of non-trading securities		6,350	1,121
Amounts repaid by investee companies		2,951	12,837
Proceeds on disposal of an associate		2,446	22,370
Amount repaid by a jointly controlled entity		2,338	5,410
Proceeds on disposal of fixed assets		1	11
Acquisition of subsidiaries (net of cash and cash equivalents acquired)	33	(49,579)	(21,803)
Additions to properties under development		(14,790)	(21,540)
Purchase of fixed assets		(8,765)	(17,426)
Acquisition of additional interest in a subsidiary		(7,673)	(180,866)
Acquisition of an unlisted associate		(6,156)	–
Purchase of intangible assets		(5,001)	(4,528)
Amount advanced to a jointly controlled entity		(2,830)	(3,403)
Increase in pledged bank deposit		(487)	–
Disposal of subsidiaries (net of cash and cash equivalents disposed of)	34	(161)	(512)
Purchase of non-trading securities		(30)	(6,233)
Acquisition of a listed associate		–	(142,134)
Acquisition of a jointly controlled entity		–	(936)
Net cash from (used in) investing activities		46,268	(328,513)

Consolidated Cash Flow Statement (Cont'd)

for the year ended 31st December, 2003

	2003 HK\$'000	2002 HK\$'000
Financing activities		
New bank loans raised	572,954	221,000
Amount advanced by a jointly controlled entity	23,617	120,149
Amounts advanced by associates	1,450	125
Net proceeds received from issue of shares	29	146,549
Repayment of bank loans	(492,686)	(839,403)
Shares repurchased and cancelled by a listed subsidiary	(83,945)	–
Loan notes repurchased and cancelled by a listed subsidiary	(19,861)	–
Dividends paid by subsidiaries to minority shareholders	(14,892)	(20,259)
Repayment of obligations under a finance lease	(850)	(746)
Amounts repaid to associates	(163)	–
Amount repaid to a jointly controlled entity	–	(208)
Net cash used in financing activities	(14,347)	(372,793)
Increase in cash and cash equivalents	102,943	184,507
Exchange adjustments	935	615
Cash and cash equivalents at 1st January	375,450	190,328
Cash and cash equivalents at 31st December	479,328	375,450
Analysis of the balances of cash and cash equivalents		
Bank deposits, bank balances and cash	629,201	378,305
Bank overdrafts	(149,873)	(2,855)
	479,328	375,450