

# Consolidated Cash Flow Statement

Year ended 31 December 2003

	2003 HK\$'000	2002 HK\$'000
<b>Cash flows from operating activities</b>		
<b>Loss before taxation</b>	<b>(63,903)</b>	(83,844)
Adjustment for:		
Interest income	(87)	(110)
Interest expenses	7,820	2,594
Loss on disposal and write-off of property, plant and equipment	26,556	6
Depreciation	5,710	7,061
Amortisation of goodwill	–	543
Amortisation of deferred development expenditure	774	724
Impairment of goodwill	–	4,790
Provision for bad and doubtful long term receivable	–	6,400
Provision for bad and doubtful trade receivables	384	33,999
Provision for bad and doubtful other receivables	8,008	17,885
Provision for impairment of long term investments	–	1,132
Loss on disposal of interest in a subsidiary	–	46
Impairment of property, plant and equipment	1,898	–
Realisation of exchange reserve shared by minority interests	(31)	–
<b>Operating loss before working capital changes</b>	<b>(12,871)</b>	(8,774)
Decrease in inventories	6,542	1,699
(Increase)/decrease in television programmes and sub-licensing rights	(9,343)	101
Decrease/(increase) in trade receivables	6,842	(1,988)
Decrease/(increase) in prepayments, deposits and other receivables	1,783	(12,568)
(Decrease)/increase in accounts payable and accruals	(14,941)	11,804
<b>Cash used in operation</b>	<b>(21,988)</b>	(9,726)
Interest paid	(6,772)	(1,667)
Interest element on finance lease rental payments	(97)	(187)
Hong Kong profits tax paid	(361)	(363)
<b>Net cash used in operating activities</b>	<b>(29,218)</b>	(11,943)
<b>Investing activities</b>		
Purchase of property, plant and equipment	(1,218)	(4,440)
Proceeds from disposal of property, plant and equipment	5,583	–
Interest received	87	110
Proceeds from disposal of interest in a subsidiary	–	714
Increase in pledged fixed deposit	(10,000)	–
Deferred development expenditure incurred	(272)	(89)
Net cash outflow on discontinued operation ( <i>Note 30</i> )	(119)	–
<b>Net cash used in investing activities</b>	<b>(5,939)</b>	(3,705)

# Consolidated Cash Flow Statement

Year ended 31 December 2003

	<b>2003</b>	2002
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Financing activities</b>		
Inception of other loans	<b>51,084</b>	14,009
Issue of new shares	<b>95,013</b>	–
Expenses on issue of new shares	<b>(6,961)</b>	–
Repayment of other loans	<b>(44,648)</b>	(6,640)
Inception of bank loans	<b>1,478</b>	–
Repayment of bank loans	<b>(11,088)</b>	(4,532)
Inception of finance lease	<b>510</b>	–
Capital element of finance lease rental payments	<b>(2,026)</b>	(2,026)
(Repayment to)/advance from a minority shareholder of a subsidiary	<b>(848)</b>	848
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<b>Net cash generated from financing activities</b>	<b>82,514</b>	1,659
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<b>Increase/(decrease) in cash and cash equivalents</b>	<b>47,357</b>	(13,989)
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<b>Cash and cash equivalents at beginning of year</b>	<b>4,198</b>	18,187
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<b>Cash and cash equivalents at end of year</b>	<b>51,555</b>	4,198
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<b>Analysis of the balances of cash and cash equivalents</b>		
Fixed deposit	<b>44,000</b>	–
Cash and bank balances	<b>8,510</b>	6,912
Bank overdrafts	<b>(955)</b>	(2,714)
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	<b>51,555</b>	4,198
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