

Consolidated Cash Flow Statement

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For the year ended 31 March 2004

	2004	2003
Note	HK\$'000	HK\$'000
PROFIT/(LOSS) BEFORE TAXATION	1,306,870	(50,850)
Adjustments for:		
Interest expenses	23,572	45,948
Interest income	(269)	(411)
Depreciation	1,744	2,032
Net realised loss on other investments	—	443
Provision for bad and doubtful debts	801	3,046
Net loss/(gain) on disposals of property, plant and equipment	1,216	(8,825)
Gain on de-consolidation/disposal of subsidiaries	(706,083)	(656)
Provision for bad and doubtful debts written back	—	(1)
Fixed assets written off	—	33
Liabilities written back	(11)	(938)
Loss on disposal of club membership	—	1,340
Impairment loss on other land and buildings	1,363	—
Net gain arising from debts discharged under Schemes of Arrangement	(632,718)	—
	(1,310,385)	42,011
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	(3,515)	(8,839)
Decrease in trade and other receivables	1,612	16,914
Increase in trade and other payables	1,159	3,694
Decrease in amounts due to subsidiaries under liquidation	—	(3,271)
	2,771	17,337
CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	(744)	8,498
Interest paid	(443)	(1,357)
Interest received	84	40
Hong Kong profits tax paid	—	(2)
Hong Kong profits tax refunded	—	973
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	(1,103)	8,152

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		2004	2003
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NET CASH (OUTFLOW)/INFLOW FROM OPERATING			
ACTIVITIES BROUGHT FORWARD			
		(1,103)	8,152
INVESTING ACTIVITIES			
Proceeds from disposal of other investments		—	6,066
Net cash outflow on de-consolidation of subsidiaries	32	(573)	—
Proceeds from disposals of property, plant and equipment		1,908	19,839
Purchase of property, plant and equipment		(689)	(492)
Decrease in restricted bank deposits		—	23
Net proceeds from disposal of club membership		—	360
NET CASH INFLOW FROM INVESTING ACTIVITIES		646	25,796
NET CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(457)	33,948
FINANCING			
Settlement under the Schemes		(44,183)	—
Settlement of restructuring and Schemes expenses		(7,756)	—
Issue of convertible note		5,000	—
Repayment of bank borrowings		(495)	(34,642)
Repayment of obligations under finance leases		—	(602)
Issue of new ordinary shares		46,960	—
NET CASH OUTFLOW FROM FINANCING		(474)	(35,244)
DECREASE IN CASH AND CASH EQUIVALENTS		(931)	(1,296)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		372	48
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		6,648	7,896
CASH AND CASH EQUIVALENTS AT END OF YEAR		6,089	6,648
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		6,089	6,648

The notes on pages 23 to 62 form an integral part of these financial statements.