

**CONSOLIDATED CASH FLOW STATEMENT**

Year ended 31 March 2004

	Notes	<b>2004</b> <b>HK\$'000</b>	2003 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>46,369</b>	12,169
Adjustments for:			
Finance costs	7	<b>1,872</b>	1,688
Share of profits and losses of jointly-controlled entities		<b>(258)</b>	(7)
Interest income	5, 6	<b>(2,709)</b>	(1,504)
Depreciation	6	<b>1,909</b>	1,566
Gain on disposal of fixed assets	5, 6	<b>(4)</b>	–
(Surplus)/deficit on revaluation of investment properties	6	<b>(4,540)</b>	2,340
Amortisation of goodwill	6	<b>862</b>	861
Operating profit before working capital changes		<b>43,501</b>	17,113
Decrease in an amount due from a jointly-controlled entity		–	261
Increase in an amount due to a jointly-controlled entity		<b>75</b>	–
Increase in gross amount due from customers for contract works		<b>(26,099)</b>	(54,282)
Increase in accounts receivable		<b>(17,044)</b>	(80,045)
Decrease/(increase) in prepayments, deposits and other receivables		<b>12,329</b>	(43,621)
Increase in accounts payable		<b>37,617</b>	107,626
Increase in other payables and accruals		<b>1,197</b>	679
Decrease in trade payables to related parties		–	(327)
Increase in gross amount due to customers for contract works		<b>31,881</b>	24,619
Cash generated from/(used in) operations		<b>83,457</b>	(27,977)
Interest received		<b>2,709</b>	1,504
Interest paid		<b>(1,870)</b>	(1,684)
Interest element on finance lease rental payments		<b>(2)</b>	(4)
Dividends paid		<b>(8,448)</b>	–
Hong Kong profits tax (paid)/refunded		<b>(1,151)</b>	525
Net cash inflow/(outflow) from operating activities		<b>74,695</b>	(27,636)

**CONSOLIDATED CASH FLOW STATEMENT** *(continued)*

Year ended 31 March 2004

	Notes	<b>2004</b> <b>HK\$'000</b>	2003 HK\$'000
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of fixed assets	14	<b>(2,224)</b>	(2,420)
Proceeds from disposals of fixed assets		<b>8</b>	–
Increase in pledged time deposits		<b>(12,145)</b>	(2,612)
Additional capital invested in a jointly-controlled entity		<b>(75)</b>	–
Net cash outflow from investing activities		<b>(14,436)</b>	(5,032)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of share capital	26	<b>47,979</b>	–
Share issue expenses	26	<b>(1,792)</b>	–
New bank loans		<b>554,086</b>	179,867
Repayment of bank loans		<b>(592,496)</b>	(141,377)
Capital element of finance lease rental payments		<b>(63)</b>	(65)
Net cash inflow from financing activities		<b>7,714</b>	38,425
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>67,973</b>	5,757
Cash and cash equivalents at beginning of year		<b>36,549</b>	30,792
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>104,522</b>	36,549
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	21	<b>49,526</b>	9,670
Non-pledged time deposits with original maturity of less than three months when acquired	21	<b>52,996</b>	17,908
Time deposits with original maturity of less than three months when acquired, pledged as security for bank overdraft facilities	21	<b>2,000</b>	14,607
Bank overdrafts	23	<b>–</b>	(5,636)
		<b>104,522</b>	36,549