

# Consolidated Cash Flow Statement

For the year ended 31 March 2004

	<b>2004</b>	2003
	<b>HK\$'000</b>	HK\$'000
<b>Operating activities</b>		
Loss from operations	<b>(260,007)</b>	(280,592)
Adjustments for:		
Interest income	<b>(518)</b>	(374)
Dividend income	<b>(34,837)</b>	(37,362)
Negative goodwill recognised as income	<b>(2,164)</b>	(1,624)
Depreciation	<b>1,608</b>	2,104
Amortisation of goodwill	<b>584</b>	2,242
Loss on disposals of fixed assets	<b>1,009</b>	2,761
Loss on disposal of investment properties	<b>850</b>	2,000
Reversal of impairment loss of property held for redevelopment	<b>(12,000)</b>	–
Impairment loss of property held for redevelopment	–	7,000
Unrealised holding losses on listed investments	<b>611</b>	10,025
Net realised holding (gains)/losses on listed investments	<b>(8,739)</b>	7,317
Revaluation (increase)/decrease in investment properties	<b>(2,000)</b>	2,720
Gains on disposals of investment properties	<b>(3,327)</b>	–
Loss on disposals of subsidiaries (notes 31(a))	–	702
Amortisation of investment in a joint venture	<b>68,510</b>	68,510
Impairment loss of long term investments	<b>56,765</b>	118,905
Impairment loss of investment in a joint venture	<b>174,913</b>	–
Impairment loss of land and buildings	<b>1,495</b>	–
Provisions against accounts and loans receivable	<b>12,839</b>	75,236
Reversal of provisions for doubtful debts	<b>(7,930)</b>	(1,630)
<b>Operating loss before changes in working capital</b>	<b>(12,338)</b>	(22,060)
Decrease in inventories	<b>2,545</b>	4,826
Decrease/(increase) in accounts and loans receivable	<b>11,167</b>	(41,059)
Decrease in other receivables, deposits and prepayments	<b>3,982</b>	8,687
(Increase)/decrease in short term investments	<b>(10,398)</b>	743
Decrease in client trust bank accounts	<b>3,333</b>	11,727
Decrease in accounts payable, other payables and accruals	<b>(7,397)</b>	(8,915)
Decrease in amount due to a joint venture	–	(1,424)
<b>Cash used in operations</b>	<b>(9,106)</b>	(47,475)

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	<b>HK\$'000</b>	HK\$'000
Interest paid	<b>(8,829)</b>	(11,284)
Hong Kong profits tax paid/(refund)	<b>432</b>	(3,689)
<b>Net cash outflow from operating activities</b>	<b>(17,503)</b>	(62,448)
<b>Investing activities</b>		
Dividend income	<b>14,303</b>	37,362
Interest received	<b>518</b>	374
Additional acquisition of interest in an existing subsidiary	-	(11,855)
Acquisition of long term investments	-	(42,470)
Repayment from an investee company	-	2,800
Purchases of fixed assets	<b>(835)</b>	(1,771)
Sales proceeds from disposals of fixed assets	<b>740</b>	1,796
Sales proceeds from disposals of subsidiaries (notes 31(a))	-	283
Sales proceeds from disposals of investment properties	<b>1,750</b>	800
Sales proceeds from disposals of long term investments	<b>4,634</b>	1,212
<b>Net cash generated from/(used in) investing activities</b>	<b>21,110</b>	(11,469)
<b>Financing activities</b>		
Proceeds from issue of new shares	-	7,200
Proceeds from shares issued upon exercise of share options	<b>4,771</b>	2,405
Share issue expenses	-	(180)
(Increase)/decrease in time deposits pledged to banks	<b>(5,000)</b>	16,360
New bank loans raised	<b>3,000</b>	58,480
Repayments of bank loans	<b>(26,266)</b>	(51,062)
Repayments of other borrowings	-	(21,193)
Capital element of hire purchase contracts payments	<b>(376)</b>	(294)
<b>Net cash (used in)/generated from financing activities</b>	<b>(23,871)</b>	11,716

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<b>Net decrease in cash and cash equivalents</b>	<b>(20,264)</b>	(62,201)
Cash and cash equivalents at beginning of the year	<b>17,230</b>	79,431
<b>Cash and cash equivalent at end of the year</b>	<b>(3,034)</b>	17,230
<b>Analysis of the balances of cash and cash equivalents</b>		
Cash and bank balances	<b>4,832</b>	18,445
Non-pledged time deposits with original maturity less than three months when acquired	-	5,000
Bank overdrafts	<b>(7,866)</b>	(6,215)
	<b>(3,034)</b>	17,230

The notes on pages 25 to 64 form part of these financial statements.