

# Consolidated Cash Flow Statement

Year ended 31 March 2004

	<i>Notes</i>	<b>2004</b> <b>HK\$'000</b>	2003 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before tax		<b>(14,600)</b>	(2,488)
Adjustments for:			
Share of results of an associate		<b>(311)</b>	–
Interest element of hire purchase contract			
rental payments	7	<b>359</b>	113
Gain on disposal of an associate	6	<b>(299)</b>	–
Gain on disposal of fixed assets	6	<b>(2)</b>	–
Interest income	6	–	(31)
Depreciation	6	<b>3,502</b>	2,555
Goodwill amortisation		<b>2,067</b>	–
Bad and doubtful debt provisions	6	<b>288</b>	1,947
<b>Operating profit/(loss) before working capital changes</b>		<b>(8,996)</b>	2,096
Decrease in accounts receivable		<b>3,183</b>	24,053
Decrease in gross amounts due from contract customers		–	29
Decrease/(increase) in prepayments, deposits and other receivables		<b>3,818</b>	(21,185)
Increase/(decrease) in accounts payable		<b>8,149</b>	(1,699)
Increase in amounts due to directors		<b>1,673</b>	–
Decrease in gross amounts due to contract customers		–	(3,135)
Increase/(decrease) in other payables and accruals		<b>(456)</b>	1,328
Cash generated from operations		<b>7,371</b>	1,487
Interest element on hire purchase contract			
rental payments		<b>(359)</b>	(113)
Dividends paid		–	(13,440)
Hong Kong profits tax paid		<b>(33)</b>	(16,767)
<b>Net cash inflow/(outflow) from operating activities</b>		<b>6,979</b>	(28,833)

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Year ended 31 March 2004

	<i>Notes</i>	<b>2004</b> <b>HK\$'000</b>	2003 <i>HK\$'000</i>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		–	31
Purchases of fixed assets		<b>(65)</b>	(7,661)
Proceeds from disposal of fixed assets		<b>251</b>	–
Purchases of long term investments		–	(2,371)
Disposal of long term investments		<b>2,371</b>	–
Acquisition of subsidiaries	<i>26(a)</i>	<b>(12,500)</b>	(2,938)
Acquisition of an associate	<i>26(b)</i>	<b>(11,000)</b>	–
Disposal of an associate	<i>26(b)</i>	<b>11,000</b>	–
<b>Net cash outflow from investing activities</b>		<b>(9,943)</b>	(12,939)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of share capital		–	55,400
Share issue expenses		–	(10,954)
Capital element of hire purchase contract rental payments		<b>(1,769)</b>	(605)
<b>Net cash inflow/(outflow) from financing activities</b>		<b>(1,769)</b>	43,841
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
		<b>(4,733)</b>	2,069
Cash and cash equivalents at beginning of year		<b>28,797</b>	26,728
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>24,064</b>	28,797
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		<b>24,064</b>	28,797