

Consolidated Cash Flow Statement

For the year ended 31 March 2004



	Note	2004 HK\$'000	2003 HK\$'000
OPERATING ACTIVITIES			
Loss before tax		(11,140)	(115,015)
Adjustment for:			
Interest expenses		–	1,728
Interest income		–	(43)
Share of loss of associates		–	415
Depreciation		–	3,104
Allowance for inventories		–	7,517
Provision for guarantee to repay redemption sum of a subsidiary's preferred shares		–	93,600
Impairment loss recognised on goodwill		–	3,796
Allowance for bad and doubtful debts		–	2,055
Gain on waiver of bank loans interest		–	(7,135)
Loss on disposal of property, plant and equipment		–	5,812
Gain on disposal of subsidiaries		–	(5,112)
Operating cash flows before movements in working capital		(11,140)	(9,278)
Decrease in inventories		–	500
Decrease (increase) in debtors, deposits and prepayments		1,518	(219)
Decrease in bills payable and import loans		–	(2,159)
Increase in creditors and accruals		9,340	1,326
Decrease in amounts due to associates		–	(6)
Cash used in operating activities		(282)	(9,836)
Hong Kong Profits Tax paid		(126)	(1)
Hong Kong Profits Tax refunded		126	222
NET CASH USED IN OPERATING ACTIVITIES		(282)	(9,615)
INVESTING ACTIVITIES			
Interest received		–	43
Proceeds from disposal of property, plant and equipment		–	360
Proceeds from disposal of subsidiaries (net of cash and cash equivalents disposed of)	25	–	24,000
CASH GENERATED FROM INVESTING ACTIVITIES		–	24,403
FINANCING ACTIVITIES			
Interest paid		–	(1,728)
Repayment of bank loan		–	(14,065)
CASH USED IN FINANCING ACTIVITIES		–	(15,793)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(282)	(1,005)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		302	1,377
EFFECT OF FOREIGN EXCHANGE RATE CHANGES		–	(70)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		20	302
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
Bank balances and cash		20	302