

Consolidated Cash Flow Statement

For the year ended 31 July 2004

	Note	2004 HK\$'000	2003 HK\$'000
Cash flows from operating activities			
Loss before taxation		(16,479)	(18,016)
Adjustments for:			
Depreciation and amortisation		20,332	16,668
Interest expenses		9,359	13,474
(Gain)/loss on disposal of property, plant and equipment		(16,978)	784
Provision for bad and doubtful debts		536	17,762
Reversal for impairment in value of vessels		–	(19,505)
Provision for doubtful debts written back		(75)	–
Gain on deemed disposal of a subsidiary	28(a)	–	(17,579)
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Operating loss before working capital changes		(3,305)	(6,412)
Decrease/(increase) in trade and other receivables		7,539	(13,799)
Increase in amounts due from related companies		(880)	(598)
(Decrease)/increase in trade and other payables		(10,735)	1,498
Increase in amounts due to related companies		6,659	18,549
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Cash used in operations		(722)	(762)
Income taxes paid		–	(16)
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Net cash used in operating activities		(722)	(778)
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Cash flows from investing activities			
Purchase of property, plant and equipment		(138)	(1,748)
Proceeds from sale of property, plant and equipment		28,936	1,569
Deemed disposal of a subsidiary, net of cash disposed		–	(13)
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Net cash generated from/(used in) investing activities		28,798	(192)
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Consolidated Cash Flow Statement

For the year ended 31 July 2004

	<i>Note</i>	2004 <i>HK\$'000</i>	2003 <i>HK\$'000</i>
Cash flows from financing activities			
Proceeds from issuance of share capital		–	7,497
Repayment of bank and other borrowings		(26,286)	(9,668)
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Net cash used in financing activities		(26,286)	(2,171)
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Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at 1 August		550	3,626
Effect of foreign exchange rate change, net		(2,157)	65
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Cash and cash equivalents at 31 July		183	550
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Analysis of balances of cash and cash equivalent			
Cash and bank balances		616	781
Bank overdraft		(433)	(231)
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		183	550
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The notes on pages 22 to 63 form an integral part of these financial statements.