

# Consolidated Cash Flow Statement

For the year ended 31 July 2004

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	2004 HK\$'000	2003 HK\$'000
Cash flows from operating activities		
Loss before taxation	(66,191)	(132,013)
Adjustment for:		
Share of results of associates	16,311	42,132
Gain on disposal of subsidiaries	(2,161)	-
Gain on disposal of fixed assets	(140)	-
Loss on disposal of an associate	-	3,706
Loss on deemed disposal of an associate	-	1,742
Allowances of bad and doubtful debts	96	4,084
Depreciation and amortisation	6,069	6,197
Interest income	(402)	(2,716)
Interest on bank borrowings	3,697	5,919
Finance charges in respect of finance leases	-	17
Gain realised on expiry of warrants	-	(38,845)
Reversal of impairment loss in respect of fixed assets	(10,300)	(1,232)
Impairment loss in respect of fixed assets	-	3,515
Impairment loss in respect of golf resort	1,500	5,000
Impairment loss in respect of properties under development	13,418	12,000
Impairment losses in respect of properties for sale	-	38,537
Deficit arising from revaluation of investment properties	14,917	26,206
Operating loss before working capital changes	(23,186)	(25,751)
Decrease in trade debtors - due after one year	181	8,388
Decrease in properties for sale	5,230	8,864
Decrease in amount due from an associate	159	2,940
Decrease in trade and other debtors	8,206	3,618
(Increase)/decrease in deposits and prepayments	(2,180)	2,791
(Decrease)/increase in trade and other creditors	(4,394)	10,741
Increase/(decrease) in accrual charges	7,162	(16,564)
(Decrease)/increase in amount due to an associate	(24)	330
Increase in amounts due to directors	15,676	-
Cash generated from/(used in) operations	6,830	(4,643)
Interest paid	(3,697)	(5,919)
Finance charges paid in respect of finance leases	-	(17)
PRC (income tax paid)/sales tax refunded	(186)	3,655
Net cash generated from/(used in) operating activities	2,947	(6,924)

	<b>2004</b>	2003
	<b>HK\$'000</b>	HK\$'000
Cash flows from investing activities		
Interest received	402	2,716
Proceeds from disposal of subsidiaries	50	-
Purchase of fixed assets	(876)	(993)
Proceeds from disposal of fixed assets	2,980	-
(Increase)/decrease in pledged bank deposits	(613)	23,069
	<u>1,943</u>	<u>24,792</u>
Net cash generated from investing activities		
Cash flows from financing activities		
Repayment of bank loans	(3,753)	(3,593)
Repayment of obligations under finance leases	(25)	(50)
	<u>(3,778)</u>	<u>(3,643)</u>
Net cash used in financing activities		
Net increase in cash and cash equivalents	1,112	14,225
Cash and cash equivalents at the beginning of the year	(168,845)	(180,993)
Effect on foreign exchange rate changes	-	(2,077)
	<u>(167,733)</u>	<u>(168,845)</u>
Cash and cash equivalents at the end of the year		
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	4,085	3,076
Bank overdrafts, secured	(171,818)	(171,921)
	<u>(167,733)</u>	<u>(168,845)</u>

The accompanying notes form an integral part of these financial statements.