

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 December 2004

	2004 HK\$'000	2003 HK\$'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit from operating activities	8,293	28,241
Adjustments for		
Depreciation of fixed assets	499	512
Impairment loss on fixed assets	–	419
Interest income	(1,101)	(948)
Bad debts recovered	(748)	–
Dividend income from long term unlisted investments	–	(468)
Dividend income from investments in marketable securities	(27)	(152)
Unrealised gain on changes in fair values of marketable securities	(104)	(28)
Gain on disposal of fixed assets	(38)	(35)
Gain on disposal of marketable securities	(1,944)	(1,432)
Amortisation of goodwill	566	565
Fixed assets written off	–	23
Impairment loss on golf club membership	–	460
Surplus on revaluation of investment properties	(3,600)	–
Gain on disposal of		
– subsidiaries	–	(37,003)
– jointly-controlled entities	(7,333)	–
Operating loss before working capital changes	(5,537)	(9,846)
Decrease in inventories	92	34
Decrease/(increase) in trade and bills receivables	24,965	(57,761)
(Increase)/decrease in other receivables, deposits and prepayments	(6,872)	2,392
(Decrease)/increase in trade and bills payables	(13,702)	47,424
Increase/(decrease) in other payables and accruals	1,023	(1,473)
Decrease in deferred income	–	(46)
Cash used in operations	(31)	(19,276)
Interest received	1,101	937
Interest paid	(218)	(116)
Dividend received from long term unlisted investments	–	468
Dividend received from investments in marketable securities	27	152
Profits tax refunded	–	484
Profits tax paid	–	(23)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	879	(17,374)

Consolidated Cash Flow Statement (con't)

Year ended 31 December 2004

	2004 HK\$'000	2003 HK\$'000
INVESTING ACTIVITIES		
Payment for purchase of subsidiaries net of cash acquired (<i>note 27</i>)	–	(3,819)
Purchases of fixed assets	–	(898)
Purchases of golf club memberships	(551)	–
Purchases of marketable securities	(12,091)	(2,061)
Proceeds on disposal of marketable securities	13,481	5,117
Proceeds on disposal of fixed assets	542	208
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	1,381	(1,453)
FINANCING ACTIVITIES		
(Decrease)/increase in amount due to a jointly-controlled entity	(1)	10,383
Increase in pledged time deposits	(501)	(312)
Repayment from an associate	–	480
Issue of new shares	33,863	11,282
Issuing expenses	(1,784)	–
Repayment of long term other receivables	–	280
NET CASH INFLOW FROM FINANCING ACTIVITIES	31,577	22,113
INCREASE IN CASH AND CASH EQUIVALENTS	33,837	3,286
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	55,187	51,901
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	89,024	55,187
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Time deposits	83,675	51,652
Cash at banks and on hand	5,349	3,535
	89,024	55,187

The notes on pages 28 to 65 form an integral part of these financial statements.