

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2005

	2005 <i>HK\$'000</i>	2004 <i>HK\$'000</i>
Operating activities		
Loss before taxation	(416)	(7,502)
Adjustments for:		
Depreciation	6	–
Interest income	(3)	(2)
Impairment loss on other investment	–	1,400
Gain on disposal of subsidiaries	–	(475)
Operating cash flows before movements in working capital	(413)	(6,579)
Decrease (increase) in inventories	2,673	(2,308)
Decrease (increase) in trade and other receivables	2,505	(3,206)
(Decrease) increase in trade and other payables	(3,317)	7,408
Increase in amounts due to related companies	280	–
Net cash generated from (used in) operations	1,728	(4,685)
Interest received	3	2
Net cash generated from (used in) operating activities	1,731	(4,683)
Cash used in investing activities		
Purchase of office equipment	(30)	–
Financing activities		
Proceeds from issue of ordinary shares and preference shares	–	70,000
Redemption of preference shares	–	(57,500)
(Decrease) increase in amount due to a former shareholder	(2,875)	2,590
Net cash (used in) from financing activities	(2,875)	15,090
Net (decrease) increase in cash and cash equivalents	(1,174)	10,407
Cash and cash equivalents at beginning of the year	10,408	1
Cash and cash equivalents at end of the year	9,234	10,408
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	9,234	10,408