

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2005

	Notes	2005 HK\$	2004 HK\$
Cash flows from operating activities			
Profit before taxation		3,415,914	444,546,411
Adjustments for:			
Depreciation	14	6,734,946	9,908,156
Loss on disposal of fixed assets		9,423	1,733,802
Surplus on revaluation of investment properties	14	(1,950,000)	(150,000)
(Reversal of)/ provision for impairment loss on hotel properties	14	(5,045,460)	24,625,768
Write back of provision for loans to jointly controlled entities		–	(758,096)
Gain on financial restructuring	8	–	(525,345,838)
Share of results of associates		(532,689)	415,568
Decrease in provision for inventories		(5,114)	(346,583)
Provision for doubtful debts		547,330	1,978,472
Interest expenses		3,033,973	36,032,692
Loan interest from a fellow subsidiary	25	(164,548)	–
Bank interest income	5	(81,580)	(183)
Operating profit/ (loss) before changes in working capital		5,962,195	(7,359,831)
Changes in working capital:			
Inventories		(234,405)	367,922
Trade and other receivables		(2,458,124)	(1,193,786)
Trade and other payables		138,755	(945,890)
Net cash generated from/ (used in) operations		3,408,421	(9,131,585)
Hong Kong profits tax paid		–	(974,996)
Net cash generated from/ (used in) operating activities		3,408,421	(10,106,581)
Cash flows from investing activities			
Payment to acquire fixed assets	14	(258,128)	(718,615)
Net cash outflow from disposal of subsidiaries		–	(34,436)
Loan repayment from jointly controlled entities		–	758,096
Secured loan to a fellow subsidiary	25	(16,500,000)	–
Interest received	5	81,580	183
Dividend received from associates		–	412,100
Net cash (used in)/ generated from investing activities		(16,676,548)	417,328



CONSOLIDATED CASH FLOW STATEMENT - (Con't)

For the year ended 31 March 2005

	2005	2004
	HK\$	HK\$
Cash flows from financing activities		
Issue of new ordinary shares	26,955	54,000,000
Capital expenditure on issue of new ordinary shares	(878)	(660,106)
Repayment of bank and other borrowings	(3,094,991)	(12,309,060)
Interest paid	(2,300,620)	(768,468)
Advances from a shareholder	-	4,294,923
Repayment to associates	-	(122,463)
Repayment to a related company	-	(200,276)
Net cash (used in)/ generated from financing activities	(5,369,534)	44,234,550
Net (decrease)/ increase in cash and cash equivalents	(18,637,661)	34,545,297
Cash and cash equivalents as at 1 April	37,056,793	2,504,544
Effect of foreign exchange rate changes	(139)	6,952
Cash and cash equivalents as at 31 March	18,418,993	37,056,793
Analysis of cash and cash equivalents		
Cash and bank balances	18,418,993	37,056,793

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