

Cash Flow Statement

For the year ended 31st March 2005

	2005 HKD	2004 HKD
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(5,438,724)	17,306,560
Adjustments for:		
Interest income	(8,534)	(142,193)
Depreciation	7,720	35,885
Interest on bank overdraft	–	57
Loss on disposal of plant and equipment	–	13,358
Provision for impairment losses	75,000	–
Net unrealised holding loss/(gain) on other investments	7,470,723	(3,418,975)
Operating profit before working capital changes	2,106,185	13,794,692
Increase in investments in securities	(2,827,363)	(19,386,585)
Increase in deposit for an unlisted equity investment	–	(778,000)
Increase in prepayments and other receivables	(17,416)	(78,136)
(Decrease)/Increase in accrued charges	(1,455,497)	1,571,969
Increase in amount due to a broker	1,894,930	–
Cash used in operations	(299,161)	(4,876,060)
Interest paid	–	(57)
Hong Kong profits tax paid	(2,226,594)	–
Net cash used in operating activities	(2,525,755)	(4,876,117)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	8,534	142,193
Net cash from investing activities	8,534	142,193
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(10,000,000)	–
Net cash used in financing activities	(10,000,000)	–
NET DECREASE IN CASH AND CASH EQUIVALENTS	(12,517,221)	(4,733,924)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	41,554,774	46,288,698
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	29,037,553	41,554,774
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances	29,037,553	41,554,774

The notes on pages 19 to 37 form an integral part of these financial statements.