

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2005

	2005 HK\$	2004 HK\$
OPERATING ACTIVITIES		
(Loss) profit from operations	(1,117,134)	6,008,623
Adjustments for:		
Allowance for doubtful debts	467,582	–
Amortisation of intangible asset	1,885,400	1,885,400
Depreciation	5,585,329	5,719,342
Dividend income from investments in securities	(254,220)	(732,797)
Interest income	(68,025)	(71,153)
Unrealised holding gain on listed other investments	(4,284,278)	(5,451,984)
Loss on disposal of property, plant and equipment	24,442	1,539,166
(Gain) loss on disposal of investment properties	(8,130,370)	55,000
Impairment loss on property, plant and equipment (reversed) recognised	(2,517,803)	2,517,803
Revaluation increase on investment properties	(520,880)	(3,150,000)
Revaluation increase on hotel property	(1,301,340)	(2,010,459)
Operating cash flows before movements in working capital	(10,231,297)	6,308,941
(Increase) decrease in other investments	(2,408,548)	11,283,180
Decrease (increase) in inventories	30,705	(44,530)
Increase in trade and other receivables	(2,589,638)	(1,530,141)
Increase in amount due from an associate	(621,294)	–
Decrease in amounts due from related companies	49,045	167,437
Increase (decrease) in trade and other payables	3,196,809	(1,491,272)
(Decrease) increase in deposits received	(301,282)	40,342
Increase in amount due to an associate	5,747,414	394,926
Increase (decrease) in amounts due to directors	216,109	(61,882)
Increase (decrease) in amounts due to related companies	92,445	(20,405)
Long service payment paid	(139,537)	–
Cash (used in) generated from operations	(6,959,069)	15,046,596
Hong Kong Profits Tax paid	(112,427)	–
NET CASH (USED IN) FROM OPERATING ACTIVITIES	(7,071,496)	15,046,596
INVESTING ACTIVITIES		
Dividend received from an associate	12,000,000	–
Dividend received from investments in securities	254,220	732,797
Interest received	68,025	71,153
Repayment of loan by an associate	64,600,296	19,589,118
Repayment from (advances to) associates	6,124,518	(4,638,562)
Net proceeds on disposal of investment properties	35,080,370	855,000
Proceeds on disposal of property, plant and equipment	–	4,000
Increase in pledged bank deposits	(5,026)	(11,359)
Acquisition of property, plant and equipment	(7,575,807)	(3,840,612)
Acquisition of investment properties	(13,257,930)	–
NET CASH FROM INVESTING ACTIVITIES	97,288,666	12,761,535

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FINANCING ACTIVITIES		
Interest paid on bank and other loans	(3,866,111)	(4,578,678)
Interest paid on finance leases	(42,064)	(52,164)
Repayment of obligations under finance leases	(316,523)	(373,136)
New bank and other borrowings raised	7,399,976	28,027,640
Repayment of bank and other borrowings	(80,167,763)	(83,099,984)
Advance from a minority shareholder	254,717	19,517
NET CASH USED IN FINANCING ACTIVITIES	(76,737,768)	(60,056,805)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	13,479,402	(32,248,674)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	(5,644,243)	26,604,431
CASH AND CASH EQUIVALENTS CARRIED FORWARD	7,835,159	(5,644,243)
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances and cash	12,764,280	1,259,994
Bank overdrafts	(4,929,121)	(6,904,237)
	7,835,159	(5,644,243)