



Consolidated Cash Flow Statement

For the year ended 31 March 2005

	2005 HK\$'000	2004 HK\$'000
Operating activities		
Loss before taxation	(96,752)	(57,399)
Adjustments for:		
Impairment loss recognised in respect of goodwill	7,737	22,010
Impairment loss recognised in respect of unlisted other investments	10,700	–
Unrealised holding losses (gains) on listed other investments	68	(7,513)
Depreciation	3,460	3,557
Interest income	(2,295)	(2,635)
Interest expense	365	310
Interest on obligations under finance leases	29	16
Allowance for doubtful debts	8,567	187
Bad debts written off	–	11
Gain on disposal of investments in unlisted other investments	–	(500)
Gain on disposal of subsidiaries	(595)	–
Loss on disposal of property, plant and equipment	737	103
Loss on disposal of listed other investments	4,753	–
Motor vehicle expenses settled through finance lease	6	18
Share of results of associates	3,596	294
Share of results of a joint venture	2,601	13,854
Amortisation of goodwill	360	1,501
Amortisation of intangible asset	251	251
Provision for obsolete inventories	115	–
Provision for amount due from an investee company	5,995	–
Provision for amount due from an associate	22,354	–
Operating cash flows before movements in working capital	(27,948)	(25,935)
Decrease in inventories	600	4,201
Decrease (increase) in amounts due from customers for contract work	3,722	(4,526)
Decrease in progress payments receivable	8,974	5,014
Decrease in retention money receivable	3,141	223
Decrease (increase) in development rights	3,000	(3,000)
Decrease (increase) in accounts receivable	18,633	(8,060)
Decrease in amounts due from minority interests	490	–
Decrease (increase) in prepayments, deposits and other receivables	18,301	(22,856)
Increase in amount due from an associate	(13)	(29)
Decrease in retention money payable	(1,045)	(392)
(Decrease) increase in accounts payable, other payables and accrued charges	(13,771)	12,662
Increase in amounts due to associates	860	–
Increase (decrease) in bills payable	482	(3,238)
Cash from (used in) operations	15,426	(45,936)
Interest received	2,295	2,635
Interest paid	(365)	(310)
Interest on obligations under finance leases	(29)	(16)
Hong Kong Profits Tax paid	(559)	(82)
Net cash from (used in) operating activities	16,768	(43,709)



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For the year ended 31 March 2005

	Notes	2005 HK\$'000	2004 HK\$'000
Investing activities			
Purchase of property, plant and equipment		(1,689)	(1,555)
Purchase of subsidiaries	44(a)	(539)	(1,965)
Purchase of investments in securities		–	(1,704)
Investments in associates		(6,769)	–
Refund (purchase) of other assets		165	(165)
Investment deposits paid		(6,000)	(23,231)
Deposits paid for construction in progress		(78,427)	–
Bank deposits released		2,005	6,939
Increase in loans receivable		(2,835)	(37,553)
Proceeds from disposal of property, plant and equipment		943	36
Proceeds from disposal of listed other investments		11,759	–
Disposal of subsidiaries	44(b)	4	–
Payment of construction in progress		(31,890)	–
Net cash used in investing activities		(113,273)	(59,198)
Financing activities			
Proceeds on issue of ordinary shares, net of issue expenses		14,445	93,276
Repayment of obligations under finance leases		(339)	(215)
Contribution from minority shareholders		51,213	50
Net cash from financing activities		65,319	93,111
Decrease in cash and cash equivalents		(31,186)	(9,796)
Cash and cash equivalents at the beginning of the year		32,617	42,413
Effect of foreign exchange rate changes		468	–
Cash and cash equivalents at the end of the year		1,899	32,617
Analysis of the balance of cash and cash equivalents			
Bank balances and cash		11,296	37,083
Bank overdrafts		(9,397)	(4,466)
		1,899	32,617