

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2005

	Note	2005 HK\$'000	2004 HK\$'000
Cash flows from operating activities			
Profit before taxation		12,415	53,058
Adjustments for:			
Interest income		(650)	(1,017)
Interest expenses		881	508
Depreciation of fixed assets		7,278	7,656
Amortisation of goodwill		1,410	1,410
Amortisation of other asset		4,000	-
Loss on disposal of fixed assets		123	49
Operating profit before working capital changes		25,457	61,664
Decrease (Increase) in inventories		1,555	(323)
Increase in prepayments and other receivables		(2,568)	(825)
Increase in trade receivables		(1,314)	(57,155)
(Decrease) Increase in trade payables		(4,335)	380
Decrease in accruals and other payables		(4,216)	(18,854)
Increase in deposits received		3,000	-
Cash generated from (used in) operations		17,579	(15,113)
Interest paid		(881)	(508)
Interest received		650	1,017
<i>Net cash from (used in) operating activities</i>		17,348	(14,604)
Cash flows from investing activities			
Payments to acquire other asset		(40,000)	-
Increase in loans receivable		-	(47,017)
Repayments of loans receivable		20,023	50,319
Purchase of fixed assets		(218)	(363)
Proceeds from disposal of fixed assets		165	-
<i>Net cash (used in) from investing activities</i>		(20,030)	2,939
Cash flows from financing activities			
Proceeds from issuance of secured guaranteed floating rate notes		-	39,000
Repayments of secured guaranteed floating rate notes		(15,014)	(7,508)
Advances from directors		155	3,952
Repayments to directors		(1,931)	(4,347)
<i>Net cash (used in) from financing activities</i>		(16,790)	31,097
Net (decrease) increase in cash and cash equivalents		(19,472)	19,432
Cash and cash equivalents at the beginning of the year		20,791	1,359
Cash and cash equivalents at the end of the year	21	1,319	20,791

The notes on pages 22 to 44 form part of these financial statements.