

Consolidated Cash Flow Statement

For the year ended 31st December, 2003

	2003 <i>HK\$'000</i>	2002 <i>HK\$'000</i>
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(92,884)	(806,693)
Adjustments for:		
Fixed assets written off	3,762	–
Expenditure incurred for disposal of leasehold land and buildings and investment properties	454	–
Unreconciled item	–	(1,301)
Interest income	–	(24)
Interest expenses less amount capitalized	75,049	53,510
Depreciation and impairment loss of properties and equipment	3,151	38,432
Net gain on disposal of property, plant and equipment	–	(466)
Net gain on disposal of subsidiaries	–	(24,755)
Impairment losses of investment properties, development properties and completed properties for sale and loss on disposal/impairment loss of long term investment	–	756,946
Gain on disposal of leasehold land and buildings	(5,303)	–
Loss/(Gain) on disposal of investment properties	(4,498)	1,048
Investment in a joint venture written off	–	2,810
Loan waived by a former director	–	(48,000)
Operating cash flow before movements in working capital	(20,269)	(28,493)
Decrease in loans and other receivables	–	26,740
Decrease in inventories	–	39
(Increase)/Decrease in trade receivables	(345)	4,842
Decrease in prepayments and deposits	1,769	3,810
Decrease in trade payables	(2,014)	(34,977)
Increase/(Decrease) in accrued liabilities and other payable	2,053	(19,620)
Increase/(Decrease) in deferred income and deposits from customers	83	(3,576)
Cash used in operations	(18,723)	(51,235)
Interest received	–	24
Interest paid	–	(86,720)
Tax (paid)/refund	(44)	5,480
NET CASH USED IN OPERATING ACTIVITIES	(18,767)	(132,451)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to properties and equipment	(219)	(4,561)
Additions to development properties	(20,451)	(82,594)
Proceeds from disposal of properties and equipment	–	500
Proceeds from disposal of investment properties	–	3,800
Proceeds from disposal of subsidiaries	–	29,500
Increase in investment in a joint venture	–	(2,810)
Proceed from disposal of completed property for sales	480	–
NET CASH USED IN INVESTING ACTIVITIES	(20,190)	(56,165)

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For the year ended 31st December, 2003

	2003	2002
	<i>HK\$'000</i>	<i>HK\$'000</i>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in bank loans	82,472	123,499
Repayments of bank loans	–	(204,801)
Increase in loans payable	724	102,282
Repayment of loans payable	–	(97,855)
(Decrease)/Increase in amount due to related companies	(127)	31
Advance from a director	30,300	54,050
Increase in amount due to a former director	606	–
Repayment of amount due to a director	–	(2,245)
Increase in amount due to shareholders	216	32,000
Capital element of finance lease rental payments	(468)	(540)
Interest paid	(75,049)	–
Issue of shares	–	175,907
NET CASH GENERATED FROM FINANCING ACTIVITIES	38,674	182,328
NET DECREASE IN CASH AND CASH EQUIVALENTS	(283)	(6,288)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	(12,177)	(5,889)
CASH AND CASH EQUIVALENTS AT END OF YEAR	(12,460)	(12,177)
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	1,674	1,957
Bank overdrafts	(14,134)	(14,134)
	(12,460)	(12,177)