

Consolidated Cash Flow Statement 25

For the year ended 31 December 2005

	2005 HK\$	2004 HK\$
Cash flows from operating activities		
Profit from ordinary activities before taxation	(18,973,893)	9,954,118
Interest expenses	2,248,176	2,328,963
Depreciation of owned fixed assets	4,254	4,256
Fair value (loss)/gain on investments held for trading	8,207,188	(22,296,444)
Loss on disposal of investments held for trading	3,605,865	7,348,148
Provision for impairment losses	3,659,000	2,639,000
Operating loss before changes in working capital	(1,249,410)	(21,959)
Increase in accounts receivable	(700,671)	–
(Increase)/decrease in prepayments and other receivables	(31,021)	177,003
Decrease/(increase) in investments held for trading	15,720,467	(3,105,469)
(Decrease)/increase in margin accounts payable	(3,395,429)	2,125,707
Increase/(decrease) in short term loans	26,307,210	(4,571,450)
(Decrease)/increase in commercial paper	(19,000,000)	19,000,000
(Decrease)/increase in creditors and accruals	(662,345)	552,306
Net cash inflow generated from operations	16,988,801	14,156,138
Interest paid	(2,248,176)	(2,200,637)
Net cash inflow from operating activities	14,740,625	11,955,501
Investing activities		
Purchases of available-for-sale investments	(14,680,000)	(21,530,002)
Disposals of available-for-sale investments	–	11,000,000
Net cash outflow from investing activities	(14,680,000)	(10,530,002)
Net increase in cash and cash equivalents	60,625	1,425,499
Cash and cash equivalents at beginning of year	(19,914)	(1,445,413)
Cash and cash equivalents at end of year	40,711	(19,914)
Analysis of balance of cash and cash equivalents		
Bank balances and cash	40,711	3,677
Bank overdrafts	–	(23,591)
	40,711	(19,914)

The notes on pages 26 to 44 form an integral part of these accounts.