

Cash Flow Statement

(For the year ended 31 March 2006)

	2006 HK\$	2005 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	8,182,257	(5,438,724)
Adjustments for:		
Interest income	(430,828)	(8,534)
Depreciation	7,720	7,720
Impairment losses in relation to investment securities (Net unrealised gain on financial assets at fair value through profit or loss)/Net unrealised loss on other investments – listed	-	75,000
	(786,463)	7,470,723
Operating profit before working capital changes	6,972,686	2,106,185
Decrease in financial assets at fair value through profit or loss/(Increase in other investments)	294,638	(2,827,363)
Decrease/(Increase) in prepayments	11,785	(17,416)
Increase/(Decrease) in accrued charges	514,212	(1,455,497)
(Decrease)/Increase in amount due to a broker	(1,894,930)	1,894,930
Cash generated from/(used in) operations	5,898,391	(299,161)
Hong Kong profits tax paid	(598,321)	(2,226,594)
Net cash from/(used in) operating activities	5,300,070	(2,525,755)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	430,828	8,534
Net cash from investing activities	430,828	8,534
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	(10,000,000)
Net cash used in financing activities	-	(10,000,000)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	5,730,898	(12,517,221)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	29,037,553	41,554,774
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	34,768,451	29,037,553
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Bank balances	34,768,451	29,037,553