

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2006

	NOTE	2006 HK\$'000	2005 HK\$'000
Operating activities			
Loss before taxation		(6,383)	(21,527)
Adjustments for:			
Interest income		(250)	(17)
Interest expense		681	305
Allowance for doubtful debts		151	30
Depreciation		1,865	6,489
Decrease in fair value of investment properties		1,450	3,040
Impairment loss recognised in respect of property, plant and equipment		-	4,466
Loss on disposal of subsidiaries		-	1,094
Loss (gain) on disposal of property, plant and equipment		2	(88)
Share based payment expenses		749	-
Effect on foreign exchange rate changes		(219)	-
Operating cash flows before movements in working capital		(1,954)	(6,208)
(Increase) decrease in inventories		(285)	2
Increase in trade and other receivables		(1,201)	(182)
Decrease in trade and other payables		(260)	(848)
Increase in emoluments payable to directors		2,423	2,550
Cash used in operations		(1,277)	(4,686)
Interest paid		-	(44)
Hong Kong Profits Tax refunded		677	-
Net cash used in operating activities		(600)	(4,730)
Investing activities			
Interest received		250	17
Acquisition of property, plant and equipment		(1,642)	(156)
Increase in pledged bank deposits		(4)	(110)
Disposal of subsidiaries, net of cash and cash equivalents disposed of	28	-	9,259
Proceeds from disposal of property, plant and equipment		-	141
Net cash (used in) from investing activities		(1,396)	9,151
Financing activities			
Advance from a related company		889	9,615
Advance from minority shareholders		14	17
Advance from a director		-	127
Repayment of bank loans		-	(5,800)
Net cash from financing activities		903	3,959
Net (decrease) increase in cash and cash equivalents		(1,093)	8,380
Cash and cash equivalents at 1 April		15,478	7,098
Effect of foreign exchange rate changes		(8)	-
Cash and cash equivalents at 31 March, represented by bank balances and cash		14,377	15,478