

Consolidated Cash Flow Statement

For the year ended 31 March 2006

Note	2006 HK\$'000	2005 HK\$'000
Cash flows from operating activities		
Loss before tax	(14,491)	(11,159)
Adjustments for:		
Finance costs	1,851	343
Interest income	(1,249)	(1,210)
Depreciation	121	578
Amortisation of goodwill	—	625
Exchange difference	302	—
Impairment of goodwill	—	2,766
Negative goodwill recognised as income	—	(97)
Property, plant and equipment written off	—	2
Loss on disposal of investment properties	—	425
Gain on disposal of property, plant and equipment	(32)	(1,034)
Gain on disposal of a subsidiary	(4)	—
Provision for impairment loss on accounts receivables	4	—
Provision for impairment loss on deposits and other receivables	—	1,838
Operating loss before working capital changes	(13,498)	(6,923)
Decrease/(increase) in amount due from a jointly-controlled entity	41	(487)
Decrease/(increase) in accounts receivable	24,660	(79,475)
Decrease in prepayments	463	3,742
Decrease/(increase) in deposits and other receivables	2,177	(7,249)
Decrease in amount due from customers for contract work	15,675	72,898
Decrease in amount due from a director	—	4,219
Decrease in amount due from a minority shareholder	—	225
Decrease in accounts payable	(15,377)	(20,167)
Increase/(decrease) in other payables and accruals	1,634	(3,364)
(Decrease)/increase in amount due to customers for contract work	(10,905)	6,495
Decrease in amount due to a director	(3,873)	(1,479)
Cash utilised in operations	997	(31,565)
Interest received	1,249	1,210
Interest paid	(2)	(343)
Dividend paid	—	(15,000)
Dividend paid to minority shareholders	—	(564)
Hong Kong profits tax paid	—	(4,131)
Hong Kong profits tax refunded	166	—
Net cash inflow /(outflow) from operating activities	2,410	(50,393)



<i>Note</i>	2006 HK\$'000	2005 <i>HK\$'000</i>
Cash flows from investing activities		
Purchase of property, plant and equipment	(246)	(124)
Proceeds from disposal of property, plant and equipment	139	1,364
Proceeds from disposal of investment properties	—	2,300
Decrease/(increase) in pledged time deposits	3,900	(2,600)
Net cash inflow from investing activities	3,793	940
Cash flows from financing activities		
Proceeds from issue of shares	—	47,880
Share issue expenses	—	(7,905)
Loans from shareholders	20,000	22,991
Repayment of loans from shareholders	—	(30,242)
Net cash inflow from financing activities	20,000	32,724
Increase/(decrease) in cash and cash equivalents	26,203	(16,729)
Cash and cash equivalents at the beginning of the year	25,387	42,116
Cash and cash equivalents at the end of the year	51,590	25,387
Analysis of balances of cash and cash equivalents		
Cash and bank balances	26	51,590
Bank overdrafts	29	—
		25,486
		(99)
		51,590
		25,387

The accompanying notes form an integral part of these financial statements.