

Consolidated Cash Flow Statement

For the year ended 31 March 2006

	2006 HK\$'000	2005 HK\$'000 (Restated)
Operating activities		
(Loss)/profit before taxation	(7,883)	501
Adjustments for:		
Interest income	(344)	(49)
Dividend income	-	(15)
Negative goodwill recognised as income	-	(2,164)
Depreciation	741	1,338
Finance costs	6,941	6,795
Amortisation of goodwill	-	584
Impairment of goodwill	3,124	-
Loss on disposal of property, plant and equipment	475	1,163
Unrealised holding losses on listed investments	-	8,582
Fair value changes on investments held-for-trading	3,993	-
Net realised holding gains on listed investments	-	(5,913)
Net realised holding loss on investments held-for-trading	539	-
Revaluation increase in investment property	-	(1,000)
Fair value changes on investment property	(600)	-
Amortisation of investment in a joint venture	-	22,837
Impairment of long term investments	-	423
Impairment of available-for-sale investment	2,819	-
Provisions against accounts and loans receivable	4,679	4,109
Reversal of impairment of investment in a joint venture	(20,404)	(22,837)
Reversal of impairment of property held for redevelopment	-	(2,000)
Reversal of provisions for doubtful debts	(4,203)	(12,884)
Operating cash flows before movements in working capital	(10,123)	(530)
Decrease in inventories	897	509
Decrease in accounts and loans receivable	3,534	24,463
(Increase)/decrease in other receivables, deposits and prepayments	(701)	4,869
Decrease in short term investments	-	3,998
(Increase)/decrease in client trust bank accounts	(1,281)	5,303
Increase/(decrease) in accounts payable, other payables and accruals	5,664	(4,098)
Cash (used in)/generated from operations	(2,010)	34,514
Hong Kong profits tax paid	(475)	(198)
Net cash (used in)/generated from operating activities	(2,485)	34,316

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	Note	2006 HK\$'000	2005 HK\$'000 (Restated)
Investing activities			
Dividend received		-	15
Dividend paid		-	(468)
Interest received		344	49
Purchases of property, plant and equipment		(153)	(189)
Purchases of available-for-sale investments		(438)	-
Purchases of investments held-for-trading		(5,740)	-
Proceeds from disposal of investments held-for-trading		5,180	-
Proceeds from disposal of property, plant and equipment		29	1,072
Proceeds from disposal of long term investments		-	187
Acquisition of a subsidiary	35	(1,613)	-
Net cash (used in)/generated from investing activities		(2,391)	666
Financing activities			
New bank loans raised		21,000	1,479
Repayments of bank loans		(19,566)	(18,376)
Interest paid		(6,893)	(6,699)
Hire purchase interest charges paid		(48)	(96)
Capital element of hire purchase contract payments		(843)	(795)
Net cash used in financing activities		(6,350)	(24,487)
Net (decrease)/increase in cash and cash equivalents		(11,226)	10,495
Cash and cash equivalents at beginning of the year		7,461	(3,034)
Effect of foreign exchange rate changes		276	-
Cash and cash equivalents at end of the year		(3,489)	7,461
Analysis of the balances of cash and cash equivalents:			
Cash and bank balances		3,517	13,412
Bank overdrafts		(7,006)	(5,951)
		(3,489)	7,461