

Consolidated Cash Flow Statement

Year ended 31 March 2006

	<i>Note</i>	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
Cash flows from operating activities			
Profit/(loss) before tax		9,413	(3,722)
Adjustments for:			
Finance costs	8	5,903	7,098
Interest income	6, 7	(708)	(823)
Dividend income from listed investments	6, 7	–	(1)
Depreciation	7	543	1,094
Bad debts written off	7	–	574
Impairment of property, plant and equipment	7	–	19
Loss on disposal of short term listed investments	7	–	8
Deficit on revaluation of investment property	7	–	365
Provision for prepayments and other receivables	7	229	648
Provision for amount due from a director	7	–	160
Provision for amounts due from intermediate holding companies, net	7	334	1,008
Provision for obsolete and slow-moving inventories	7	–	99
Provision for doubtful trade receivables	7	24	–
Provision for pending litigation	7	–	856
Loss on disposal of property, plant and equipment, net	7	10	3,407
Gain on disposal of subsidiaries	6, 7	(17,589)	–
Gain on deconsolidation of a subsidiary	34 (b)	–	(16,686)
Operating loss before working capital changes		(1,841)	(5,896)
Decrease in trade receivables		882	291
Increase in inventories		(324)	(109)
Increase in prepayments, deposits and other receivables		(18,502)	(2,773)
Decrease in amounts due from intermediate holding companies		374	(372)
Increase in amount due from director		–	(177)
Decrease in trade payables		(729)	(2,178)
Increase in other payables and accruals		494	4,938
Decrease in provision for long service payment		(132)	(8)
Cash used in operations		(19,778)	(6,284)
Dividend income from listed investment		–	1
Net cash outflow from operating activities		(19,778)	(6,283)

Consolidated Cash Flow Statement (Continued)

Year ended 31 March 2006

	<i>Note</i>	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
Cash flows from investing activities			
Interest received		–	207
Purchases of property, plant and equipment		(646)	(273)
Proceeds from disposal of property, plant and equipment		–	44,763
Proceeds from disposal of subsidiaries	<i>34(a)</i>	18,000	–
Deconsolidation of a subsidiary	<i>34(b)</i>	–	(603)
Decrease in time deposits with a maturity of more than three months when acquired		–	30,000
Proceeds from disposal of short term investments		–	63
Net cash generated from investing activities		17,354	74,157
Cash flows from financing activities			
Interest paid		(381)	(2,738)
Interest element on finance lease payments		(4)	(22)
Other loans		1,400	4,000
Repayment of bank and other loans		(1,000)	(70,497)
Release of finance lease payments by disposal of property, plant and equipment		–	31
Capital element of finance lease payments		(14)	(98)
Net cash generated from/(used in) financing activities		1	(69,324)
Net decrease in cash and cash equivalents		(2,423)	(1,450)
Cash and cash equivalents at beginning of year		3,174	4,624
Cash and cash equivalents at end of year		751	3,174
Analysis of balances of cash and cash equivalents			
Cash and bank balances		751	3,174