

Consolidated Cash Flow Statement

For the year ended 31 December 2006

Note	2006 HK\$'000	2005 HK\$'000
Cash flows from operating activities		
(Loss)/Profit before taxation	(24,340)	3,103
Adjustments for:		
Amortisation of prepaid premium for land leases	77	74
Depreciation	1,429	1,306
Interest income	(100)	(67)
Interest expenses	632	2,979
Loss/(Gain) on disposals of fixed assets	27	(25)
Fair value losses/(gains) on investment properties	182	(13,307)
Impairment loss on properties under development	560	–
Impairment loss on prepaid premium for land leases	1,409	–
Impairment loss on prepaid carnival expenses and deposits	5,000	–
Impairment loss on other receivables, deposits and prepayments	1,653	–
Reversal of impairment loss on mortgage loans receivable	(343)	(2,137)
Write-back of other receivables	–	(203)
	(13,814)	(8,277)
Operating loss before working capital changes		
Decrease/(Increase) in completed properties held for sale	9,502	(2,216)
Decrease in mortgage loans receivable	9,623	9,966
Increase in prepaid carnival expenses and deposits	(11,797)	–
Decrease in other receivables, deposits and prepayments	10,477	29,404
Increase/(Decrease) in trade payables and other payables	4,539	(18,219)
Decrease in deposits received on properties held for sale	299	49
	8,829	10,707
Cash generated from operations		
Interest received	100	67
Interest paid	(632)	(2,979)
Overseas tax refund/(paid)	725	(561)
	9,022	7,234
Net cash generated from operating activities		

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For the year ended 31 December 2006

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Cash flows from investing activities			
Purchases of fixed assets		(365)	(897)
Proceeds from disposals of fixed assets		–	56
Acquisition of a subsidiary company	28	400	–
Additions to investment properties		(2,800)	(2,460)
(Increase)/Decrease in properties under development		(11,729)	282
Proceeds from disposal of prepaid premium for land leases		2,310	–
Decrease in investments in a property development joint venture		–	6,488
(Increase)/Decrease in pledged bank deposits		(4,042)	396
Net cash (used in)/generated from investing activities		(16,226)	3,865
Cash flows from financing activities			
Net proceeds from issue of shares		3,228	–
New loans raised		24,818	26,923
Repayments of loans		(32,069)	(35,626)
Advance from/(repayment to) directors		2,622	(50)
Dividend paid		–	(16,373)
Net cash used in financing activities		(1,401)	(25,126)
Net decrease in cash and cash equivalents		(8,605)	(14,027)
Cash and cash equivalents at the beginning of the year		1,375	15,131
Effect of foreign exchange rate changes		(47)	271
Cash and cash equivalents at the end of the year		(7,277)	1,375
Analysis of the balance of cash and cash equivalents			
Cash and bank balances		2,711	1,375
Bank overdrafts – secured		(9,988)	–
		(7,277)	1,375

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