

Consolidated Cash Flow Statement

For the year ended 31 December 2006

<i>Note</i>	2006 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	15,720	(6,389)
Adjustments for:		
Finance costs	1,882	4,747
Share of losses of associates	19	331
Share of profit of a jointly-controlled entity	(85)	(68)
Interest income	(2,763)	(2,783)
Depreciation	3,012	2,733
Amortisation on prepaid land lease payments	60	58
Gain on disposal of an associate	–	(30,233)
Loss on disposal of an associate	–	450
Loss on disposal of a subsidiary	3,871	–
Gain on write off of amounts due to associates	–	(331)
Impairment loss on amount due from an associate	–	182
Loss on write off of property, plant and equipment	15	–
Loss on disposal of property, plant and equipment	–	80
Gain on disposals of investment properties and land and buildings	(53,416)	–
Gain arising from changes in fair value of investment properties	–	(1,965)
Losses/(gains) arising from changes in fair value of financial assets at fair value through profit or loss	1,490	(436)
Loss/(gain) on disposals of available-for-sale financial assets	2,485	(278)
Gain on disposals of financial assets at fair value through profit or loss	(852)	(79)
Operating loss before working capital changes	(28,562)	(33,981)
(Increase)/ decrease in amounts due from related companies	(1,658)	2,589
Decrease/ (increase) in properties held for sale	18,207	(37,844)
(Increase)/ decrease in properties held for sale under development	(7,718)	32,959
Decrease/ (increase) in inventories	91	(12)
(Increase)/ decrease in trade receivables	(1,331)	1,801
Decrease/ (increase) in other receivables	2,475	(4,655)
Decrease in client trust bank balances	4,318	285
Increase in amounts due to related companies	2,138	44
(Decrease)/ increase in trade payables, other payables and accruals	(8,662)	13,128
Cash used in operations	(20,702)	(25,686)
Interest paid	(1,882)	(4,747)
Overseas tax paid	(1,739)	(8,402)
Net cash used in operating activities (to page 34)	(24,323)	(38,835)

Consolidated Cash Flow Statement

34

For the year ended 31 December 2006

	Note	2006 HK\$'000	2005 HK\$'000
Net cash used in operating activities (from page 33)		(24,323)	(38,835)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		2,763	2,783
Proceeds from disposals of financial assets at fair value through profit or loss		852	295
Proceeds from disposals of available-for-sale financial assets		29,320	1,570
Proceeds from disposal of an associate		–	159,221
Proceeds from disposals of investment properties and land and buildings		142,250	–
Disposal of a subsidiary	34	(3,095)	–
Purchases of available-for-sale financial assets		(14,241)	(5,127)
Purchases of property, plant and equipment		(2,288)	(1,550)
Increase in amount due from an associate		(137)	(503)
Increase in amount due to an associate		1,041	–
Decrease in amount due to a jointly-controlled entity		(168)	(198)
Decrease in other assets		–	5
Decrease in pledged bank balances		206	1,877
Net cash generated from investing activities		156,503	158,373
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of interest-bearing bank borrowings		(74,908)	(110,000)
Bank loans raised		54,908	–
Net cash used in financing activities		(20,000)	(110,000)
NET INCREASE IN CASH AND CASH EQUIVALENTS		112,180	9,538
Effect of foreign exchange rate changes, net		1,578	(5,180)
Cash and cash equivalents at 1 January		40,978	36,620
CASH AND CASH EQUIVALENTS AT 31 DECEMBER		154,736	40,978
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Bank and cash balances		163,547	60,275
Bank overdrafts		(8,811)	(19,297)
		154,736	40,978