

## Notes on the Cash Flow Statement

*For the year ended 31 December 2000*

*(Prepared under the PRC Accounting Standards)*

### 1 Investing and financing activities which do not involve in cash receipts and payments

	2000 Rmb'000	1999 Rmb'000
Transfer of receivables to long-term investments	14,560	-
Increase in long-term investment by the transfer from other debtors	12,475	40,000
Transfer of interest receivables to other debtors	41,295	-

### 2 Reconciliation of net profit to cash inflow from operating activities

	2000 Rmb'000	1999 Rmb'000
Net profit	65,991	52,147
Add: Provision/(written back) for bad debts	39,332	(19,177)
Depreciation of fixed assets	48,750	36,320
Provision for major repairs and maintenance	-	6,000
Amortisation of intangible assets	2,185	2,149
Gain on disposal of fixed assets	(8,426)	(3,884)
Provision for inventories	3,679	6,665
Interest income	(31,132)	(38,442)
Interest expense	50,425	50,980
Investment income	(24,460)	(21,946)
Increase in inventories	(44,188)	(1,419)
Decrease in operating receivables	23,296	30,087
Decrease in operating payables	(98,982)	(42,792)
Others	3,855	(1,623)
Net cash inflow from operating activities	30,325	55,065

### 3 Analysis of cash at bank and in hand

	<b>Cash and cash equivalents Rmb'000</b>	<b>Time deposit with original maturity over three months Rmb'000</b>	<b>Total Rmb'000</b>
Balance at 1 January 2000	105,440	208,000	313,440
Net cash inflow/(outflow)	1,862	(11,000)	(9,138)
Balance at 31 December 2000	107,302	197,000	304,302