

CONSOLIDATED CASH FLOW STATEMENT

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FOR THE YEAR ENDED 31 MARCH 2003

	2003 HK\$'000	2002 HK\$'000
OPERATING ACTIVITIES		
Loss before taxation	(33,689)	(18,408)
Adjustments for:		
Share of losses of joint venture	663	604
Depreciation and amortisation	5,883	6,445
Impairment loss on property, plant and equipment	21,371	–
Loss on disposal of property, plant and equipment	178	3,698
Interest income	(382)	(513)
Dividend income	(24)	(43)
Interest expenses	539	993
Interest element of finance lease payments	–	4
Operating loss before working capital changes	(5,461)	(7,220)
Increase in inventories	1,420	3,686
Increase in property under development	(12,283)	–
Movement in land acquired for development	24,122	–
Decrease in short-term investments	1,522	3,339
(Increase)/decrease in accounts receivable and prepayments	(7,003)	661
(Increase)/decrease in bank deposits pledged and cash held in custody by a firm of solicitors	(662)	705
Increase/(decrease) in accounts payable and accrued charges	6,193	(1,698)
Decrease in dividend payable	–	(64)
Cash from/(used in) operations	7,848	(591)
Profits tax paid	(122)	–
Dividend income	24	43
Interest received	382	513
Interest paid	(803)	(993)
Interest element of finance lease payments	–	(4)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	7,329	(1,032)
INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(380)	(447)
Proceeds from sale of property, plant and equipment	4,543	4,888
Acquisition of subsidiary, net of cash and cash equivalent acquired (Note 28)	2,541	–
Effect of share of loss of joint venture recognised previously upon the joint venture become a subsidiary	(1,267)	–
Increase in interest in a joint venture	–	(3,900)
Increase in land acquired for development	–	(198)
Increase in long-term investments	(1,170)	–
NET CASH FROM INVESTING ACTIVITIES	4,267	343

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FOR THE YEAR ENDED 31 MARCH 2003

	2003 HK\$'000	2002 HK\$'000
FINANCING ACTIVITIES		
Advance/(repayment) of bank loans	25,009	(5,484)
Capital element of finance lease payments	–	(16)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	25,009	(5,500)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	36,605	(6,189)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	19,410	26,036
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	713	(437)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	56,728	19,410
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	62,925	27,786
Bank overdrafts	–	(2,841)
Bank deposits pledged (<i>Note 21</i>)	(6,197)	(5,535)
	56,728	19,410

The notes on pages 23 to 49 form an integral part of these financial statements.