

Consolidated

Cash Flow Statement

25

Annual
Report
2003

Sun East Technology (Holdings) Limited

Year ended 31 March 2003

	Notes	2003 HK\$'000	2002 HK\$'000 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		(44,646)	33,770
Adjustments for:			
Depreciation	7	25,562	16,780
Loss/(gain) on disposal of fixed assets	7	83	(28)
Gain on disposal of discontinued operations	6	(379)	–
Amortisation of technical know-how	7	5,134	–
Deficit on revaluation of investment property	7	130	250
Loss on write off of fixed assets	7	–	2,750
Provision for doubtful debts	7	14,486	4,129
Deficit on revaluation of leasehold land and buildings	7	34	5
Provision for slow-moving inventories	7	1,893	1,198
Interest income	7	(622)	(2,297)
Finance costs	10	1,976	1,586
Operating profit before working capital changes		3,651	58,143
Decrease/(increase) in inventories		4,228	(9,366)
Increase in accounts receivable		(3,839)	(6,401)
Increase in prepayments, deposits and other receivables		(1,199)	(493)
Increase in accounts and bills payable		2,404	30,152
Increase in accruals and other payables		2,180	9,823
Cash generated from operations		7,425	81,858
Interest received		622	2,297
Interest paid		(1,694)	(1,398)
Interest element on finance lease rental payments		(282)	(188)
Dividend paid		–	(12,480)
Hong Kong profits tax paid		(1,203)	(3,023)
Net cash inflow/(outflow) from operating activities			
Continuing operations		(5,142)	50,930
Discontinued operations		10,010	16,136
Total		4,868	67,066

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Year ended 31 March 2003

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CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of fixed assets	14	(21,890)	(106,343)
Proceeds from disposal of fixed assets		–	33
Acquisition of a subsidiary	29(a)	(28,000)	–
Disposal of a subsidiary	29(b)	9,076	–
Increase/(decrease) in amounts due to directors		41	(956)
Decrease in pledged bank deposits		–	5,000
Net cash outflow from investing activities			
Continuing operations		(36,573)	(72,236)
Discontinued operations		(4,200)	(30,030)
Total		(40,773)	(102,266)
CASH FLOWS FROM FINANCING ACTIVITIES			
New bank loans		28,390	14,950
Repayment of bank loans		(5,194)	(4,673)
Capital element of finance lease rental payments		(4,996)	(4,008)
Net cash inflow/(outflow) from financing activities			
Continuing operations		25,970	(7,028)
Discontinued operations		(7,770)	13,297
Total		18,200	6,269
DECREASE IN CASH AND CASH EQUIVALENTS			
		(17,705)	(28,931)
Cash and cash equivalents at beginning of year		63,352	92,427
Effect on foreign exchange rate changes		(109)	(144)
CASH AND CASH EQUIVALENTS AT END OF YEAR		45,538	63,352
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	19	24,572	35,224
Time deposits with original maturity of less than three months when acquired	19	20,966	33,105
Bank overdrafts	21	–	(4,977)
		45,538	63,352