

Consolidated Cash Flow Statement

For the year ended 31 December 2003

	Note	2003 HK\$'000	2002 HK\$'000
Operating activities			
Loss before taxation		(50,975)	(564,598)
Adjustments for:			
Advertising and telecommunication services expenses	29(a)	13,269	5,746
Allowance for bad and doubtful debts		1,073	95,687
Allowance for inventory obsolescence and write-off of inventories		7,195	4,990
Allowance for loan to an associate		–	219,828
Amortisation of intangible assets		1,830	1,830
Amortisation of goodwill		4,351	6,135
Depreciation and amortisation of property and equipment		49,765	53,869
Gain on partial disposal of interest in CASH Financial Services Group Limited ("CFSG")		(6,321)	–
Gain on expiry of warrants		–	(59,573)
Impairment loss recognised in respect of goodwill held in reserves		300	–
Impairment loss recognised in respect of club memberships		–	1,330
Impairment loss recognised in respect of goodwill		–	27,209
Impairment loss recognised in respect of investments		–	57,000
Impairment loss recognised in respect of property and equipment		–	64,153
Reversal of impairment loss previously recognised in respect of property and equipment		(900)	–
Interest expenses		7,593	5,162
Loss on disposal of property and equipment		1,941	6,081
Operating cash from (outflows) before movements in working capital		29,121	(75,151)
Increase in inventories		(3,099)	(16,398)
(Increase) decrease in accounts receivable		(324,054)	72,514
Decrease in loans receivable		1,644	13,779
(Increase) decrease in prepayments, deposits and other receivables		(5,808)	24,208
Increase in investments		(8,666)	(19,032)
(Increase) decrease in bank balances – trust and segregated accounts		(97,036)	77,614
Increase (decrease) in accounts payable		249,453	(58,020)
Decrease in accrued liabilities and other payables		(16,858)	(21,707)
Cash used in operations		(175,303)	(2,193)
Hong Kong Profits Tax refunded		–	166
Hong Kong Profits Tax paid		–	(12)
Interest paid		(7,550)	(5,162)
Net cash used in operating activities		(182,853)	(7,201)

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For the year ended 31 December 2003

	Note	2003 HK\$'000	2002 HK\$'000
Investing activities			
Decrease in club memberships		329	–
Proceeds from partial disposal of interest in CFSG		12,335	–
Proceeds from disposal of property and equipment		15,825	22,333
Statutory and other deposits refunded		363	4,100
Acquisitions of subsidiaries (net of cash and cash equivalents acquired)	28	(2,706)	(40,600)
Loan to an associate		–	(55,362)
Purchase of property and equipment		(9,918)	(58,593)
Purchase of investments		(15,500)	–
Net cash from (used in) investing activities		728	(128,122)
Financing activities			
Increase in trust receipt loans		8,444	34,197
(Increase) decrease in bank deposits under conditions		(9,675)	16,855
Increase (decrease) in bank loans		136,600	(51,100)
(Decrease) increase in bank overdrafts		(8,644)	66,856
Repayments of obligations under finance leases		(804)	(2,544)
Proceeds on issue of shares		16,500	109
Share issue expenses		(76)	–
Contribution from minority shareholders		30,642	–
Repurchase of shares		–	(26,719)
Share issue expenses paid by CFSG		(2,546)	–
Interest paid on obligations under finance leases		(43)	–
Net cash from financing		170,398	37,654
Net decrease in cash and cash equivalents		(11,727)	(97,669)
Cash and cash equivalents at beginning of year		257,651	355,320
Cash and cash equivalents at end of year		245,924	257,651
Being:			
Bank balances and cash		245,924	257,651