

Consolidated Cash Flow Statement

29

For the year ended 31st December, 2003

	Note	2003 HK\$'000	2002 HK\$'000
Cash flows from operating activities			
Loss before taxation and minority interests		(52,103)	(59,037)
Adjustments for:			
Depreciation of property, plant and equipment		4,776	3,713
Loss/(Gain) on disposal of property, plant and equipment		43	(11)
Impairment on property, plant and equipment		1,236	–
Revaluation (surplus)/deficit on investment property		(70)	350
Interest income		(1,172)	(2,255)
Interest expenses		–	66
Provision for doubtful debts		3,662	8,067
Operating loss before working capital changes		(43,628)	(49,107)
Increase in other receivables, prepayments and deposits		(12,679)	(6,150)
Decrease in inventories		554	306
Increase in trade receivables		(127)	(3,317)
Increase in amount due to a related company		2,306	906
Increase/(Decrease) in trade payables		26	(91)
Increase in accruals and other payables		4,445	683
Net cash used in operating activities		(49,103)	(56,770)
Cash flows from investing activities			
Purchase of property, plant and equipment		(7,424)	(7,701)
Proceeds from sales of property, plant and equipment		426	11
Decrease/(Increase) in certificates of deposit		1,000	(1,000)
Interest received		818	2,071
Increase in other loan receivable	26	(1,558)	–
Net cash used in investing activities		(6,738)	(6,619)
Cash flows from financing activities			
Proceeds from issuance of share capital		65,119	–
(Increase)/Decrease in pledged bank deposits		(700)	500
Repayment of borrowing		–	(1,864)
Interest paid		–	(66)
Net cash generated from/(used in) used in financing activities		64,419	(1,430)
Net increase/(decrease) in cash and cash equivalents		8,578	(64,819)
Cash and cash equivalents at 1st January, 2003		124,309	189,144
Effect of exchange rate fluctuation		28	(16)
Cash and cash equivalents at 31st December, 2003		132,915	124,309