

# CONSOLIDATED CASH FLOW STATEMENT

22

Year ended 31 March 2004

	Notes	2004 HK\$'000	2003 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>15,650</b>	1,968
Adjustments for:			
Share of loss of an associate		—	2
Interest paid	8	<b>1,161</b>	1,488
Interest income	5	<b>(203)</b>	(568)
Depreciation	7	<b>2,539</b>	3,087
Loss on disposal of fixed assets	7	<b>7</b>	434
Gain on dissolution of discontinued operations	6, 29	<b>(4,105)</b>	—
Loss on dissolution of a subsidiary	29	<b>33</b>	—
Provision for amounts due from former subsidiaries		<b>2,179</b>	—
Provision for doubtful debts		<b>109</b>	—
Unrealised holding losses on long term investments		<b>8,863</b>	8,374
Operating profit before working capital changes		<b>26,233</b>	14,785
Decrease/(increase) in gross amount due from contract customers		<b>1,655</b>	(25,097)
Decrease in inventories		<b>251</b>	1,028
Decrease/(increase) in trade and other receivables		<b>14,255</b>	(28,641)
Decrease in retention money receivable		<b>561</b>	5,716
Decrease in prepayments, deposits and other assets		<b>57</b>	1,130
Increase/(decrease) in gross amount due to contract customers		<b>(21,687)</b>	37,689
Increase/(decrease) in trade payables		<b>(9,178)</b>	5,146
Decrease in bills payable		<b>(16,589)</b>	(9,962)
Increase/(decrease) in retention money payable		<b>3,462</b>	(3,543)
Increase in other payables and accruals		<b>4,655</b>	5,874
Cash generated from operations		<b>3,675</b>	4,125
Interest paid	8	<b>(1,161)</b>	(1,488)
Hong Kong profits tax paid		<b>(6,226)</b>	(10,434)
Hong Kong profits tax refunded		<b>91</b>	812
Net cash outflow from operating activities – page 23		<b>(3,621)</b>	(6,985)

# CONSOLIDATED CASH FLOW STATEMENT *(Continued)*

Year ended 31 March 2004

	Notes	2004 HK\$'000	2003 HK\$'000
Net cash outflow from operating activities – page 22		<u>(3,621)</u>	<u>(6,985)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	5	203	568
Purchases of fixed assets	14	(105)	(588)
Proceeds from disposal of fixed assets		–	576
Dissolution of subsidiaries	29	(651)	–
Advances to an associate		–	(2)
Additional investment in a long term investment		<u>–</u>	<u>(990)</u>
Net cash outflow from investing activities		<u>(553)</u>	<u>(436)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid to a minority shareholder		(6,000)	(6,000)
Capital element on finance lease rental payments		(270)	(337)
Increase/(decrease) in trust receipt loans		(3,857)	12,734
New bank loans raised		–	8,000
Repayment of bank loans		<u>(4,000)</u>	<u>(667)</u>
Net cash inflow/(outflow) from financing activities		<u>(14,127)</u>	<u>13,730</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(18,301)	6,309
Cash and cash equivalents at beginning of year		<u>38,087</u>	<u>31,778</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u><u>19,786</u></u>	<u><u>38,087</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	21	4,631	14,238
Non-pledged time deposits with original maturity of less than three months when acquired	21	5,498	12,587
Time deposits with original maturity of less than three months when acquired, pledged as security for bank overdraft facilities	21	26,800	27,348
Bank overdrafts	23	<u>(17,143)</u>	<u>(16,086)</u>
		<u><u>19,786</u></u>	<u><u>38,087</u></u>