

Consolidated Cash Flow Statement

For the year ended 31st March, 2004

	2004 HK\$'000	2003 HK\$'000
OPERATING ACTIVITIES		
Profit (loss) before taxation	24,420	(18,463)
Adjustments for:		
Share of results of associates	77	(1,927)
Interest income	(9,783)	(5,999)
Interest expenses	22	68
Depreciation	4,803	4,844
Net realised and unrealised holding (gain) loss on investments in securities	(6,595)	1,431
Loss on disposal of property, plant and equipment	58	6,091
Impairment loss on property, plant and equipment	–	1,218
(Surplus) deficit on revaluation of properties	(828)	78
Operating cash flows before movements in working capital	12,174	(12,659)
(Increase) decrease in inventories	(8,652)	14,384
Decrease (increase) in debtors, deposits and prepayments	37,094	(2,305)
Decrease in amounts due from customers for contract work	806	324
Increase in investments in securities	(47,316)	(16,562)
(Decrease) increase in bills payable	(365)	1,509
Decrease in creditors, deposits and accruals	(713)	(23,838)
(Decrease) increase in amounts due to customers for contract work	(3,208)	78
(Decrease) increase in deferred service income	(869)	536
Exchange difference	(6,323)	1,014
Cash used in operations	(17,372)	(37,519)
Profits tax paid	(3,646)	(1,814)
Profits tax refunded	809	725
Interest paid	(22)	(68)
NET CASH USED IN OPERATING ACTIVITIES	(20,231)	(38,676)
INVESTING ACTIVITIES		
Interest received	9,253	6,236
Dividend received from an associate	–	10,386
Repayment from an associate	331	219
Purchase of property, plant and equipment	(6,195)	(6,595)
Proceeds from disposal of property, plant and equipment	1,572	957
Placing of fixed deposit	(7,800)	–
Disposal of an associate	6,971	–
Disposal of a subsidiary	–	1,058
NET CASH FROM INVESTING ACTIVITIES	4,132	12,261
FINANCING ACTIVITIES		
Dividends paid	(3,427)	–
(Repayments to) advances from ultimate holding company	(6,535)	4,834
NET CASH (USED IN) FROM FINANCING ACTIVITIES	(9,962)	4,834
Net decrease in cash and cash equivalents	(26,061)	(21,581)
Cash and cash equivalents at beginning of the year	148,960	170,240
Effect of changes in foreign exchange rates	1,436	301
Cash and cash equivalents at end of the year	124,335	148,960
Being:		
Bank balances and cash equivalents	124,486	149,033
Bank overdrafts	(151)	(73)
	124,335	148,960