

Consolidated Cash Flow Statement

Year ended 31 March 2004

	Notes	2004 HK\$'000	2003 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		23,351	43,912
Adjustments for:			
Depreciation	7	1,607	325
Impairment of fixed assets	7	90	–
Share of loss of an associate		6	–
Interest income	7	(20)	(13)
Finance costs	8	8	–
Provision for bad and doubtful debts	7	–	4,283
Provision for slow-moving inventories	7	1,000	2,027
Operating profit before working capital changes		26,042	50,534
Increase in inventories		(5,256)	(12,646)
Increase in trade receivables		(4,856)	(8,115)
Increase in prepayments, deposits and other receivables		(1,061)	(304)
Increase/(decrease) in trade payables		1,390	(5,226)
Increase/(decrease) in accrued liabilities and other payables		419	(1,165)
Cash generated from operations		16,678	23,078
Interest element of finance lease rental payments		(8)	–
Taxes paid		–	–
Net cash inflow from operating activities		16,670	23,078
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		20	13
Purchases of fixed assets	15	(5,904)	(1,620)
Acquisition of an associate	28(b)	(1,990)	–
Acquisition of a loan advanced to an associate	28(b)	(7,010)	–
Repayment from a related company	28(c)	–	822
Advance to a director	28(d)	–	(5,957)
Net cash outflow from investing activities		(14,884)	(6,742)

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Year ended 31 March 2004

	Notes	2004 HK\$'000	2003 HK\$'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares on public listing	23(viii)	–	35,420
Share issue expenses	25	–	(7,290)
Capital element of finance lease rental payments		(39)	–
Dividend paid	13	(9,715)	–
Net cash inflow/(outflow) from financing activities		(9,754)	28,130
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		(7,968)	44,466
Cash and cash equivalents at beginning of year		44,938	472
CASH AND CASH EQUIVALENTS AT END OF YEAR		36,970	44,938
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		36,970	44,938