

# Consolidated Cash Flow Statement

For the year ended 31 December 2004

	2004 HK\$'000	2003 HK\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss)/profit before taxation	(106,009)	13,221
Adjustments for:		
Depreciation	8,465	9,924
Gain on disposal of fixed assets	(15)	–
Revaluation deficit on leasehold land and buildings	2,399	–
Impairment of fixed assets	1,695	–
Impairment of goodwill	74	–
Provision for doubtful debts	49,247	719
Amortisation of goodwill	74	74
Share of (profit)/loss of an associated company	(94)	410
Interest expense	2,634	2,762
Interest income	(358)	(378)
Operating (loss)/profit before working capital changes	(41,888)	26,732
Decrease/(increase) in trade and other receivables	8,888	(14,611)
Decrease/(increase) in inventories	3,590	(26)
Increase in trade and other payables	1,967	4,518
Increase in amount due to an associated company	60	–
Cash (used in)/generated from operations	(27,383)	16,613
Interest paid	(2,634)	(2,762)
Income taxes paid	(2,347)	(7,020)
Net cash (used in)/from operating activities	(32,364)	6,831
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of fixed assets	(4,326)	(2,743)
Sales of fixed assets	77	–
Interest received	358	378
Net cash used in investing activities	(3,891)	(2,365)



	2004 HK\$'000	2003 HK\$'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
New loans payable	6,729	72,574
Repayment of bank loans	(11,544)	(26,093)
Increase/(decrease) in trust receipt loans	4,788	(12,877)
Payment of finance lease liabilities	(180)	(230)
Capital injection by a minority shareholder	5	–
Dividend paid	(5,500)	–
Net cash (used in)/from financing activities	(5,702)	33,374
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(41,957)	37,840
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	53,350	15,510
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	11,393	53,350
<b>ANAYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Bank balances and cash	11,465	53,350
Bank overdrafts	(72)	–
	11,393	53,350