

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2005

		2005	2004
	Notes	HK\$'000	HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		5,707	4,662
Adjustments for:			
Finance costs	7	29	19
Interest income	5	(202)	(235)
Depreciation	6	4,895	1,874
Loss/(gain) on disposal of fixed assets	6	414	(80)
Amortisation of goodwill	6	273	–
Operating profit before working capital changes		11,116	6,240
Decrease/(increase) in inventories		(1,886)	2,673
Increase in trade receivables		(2,725)	(885)
Increase in prepayments, deposits and other receivables		(958)	(52)
Decrease in an amount due from prior shareholders		–	500
Increase in amount due to a director		101	–
Increase/(decrease) in trade payables		(1,173)	2,438
Decrease in other payables and accruals		(5)	(3,683)
Cash generated from operations		4,470	7,231
Hong Kong profits tax refunded/(paid)		1,181	(1,891)
Net cash inflow from operating activities		5,651	5,340
CASH FLOWS FROM INVESTING ACTIVITIES			
Deposit for acquisition of fixed assets		(3,138)	–
Purchases of short term investment		(999)	–
Acquisition of a subsidiary	27(b)	–	(14,060)
Interest received		202	235
Purchases of fixed assets		(2,212)	(20,905)
Increase in pledged time deposits		(24)	(38)
Proceeds from disposal of fixed assets		1	115
Net cash outflow from investing activities		(6,170)	(34,653)

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Year ended 31 March 2005

		2005 HK\$'000	2004 HK\$'000
	Notes		
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital element of finance lease rental payments		(215)	(375)
Interest element on finance lease rental payments		(29)	(19)
Dividend paid		–	(2,000)
Net cash outflow from financing activities		(244)	(2,394)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(763)	(31,707)
Cash and cash equivalents at beginning of year		26,608	58,332
Effect of foreign exchange rate changes, net		(52)	(17)
CASH AND CASH EQUIVALENTS AT END OF YEAR		25,793	26,608
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	19	16,765	15,209
Non-pledged time deposits with original maturity of less than three months when acquired	19	9,028	11,399
		25,793	26,608