

Consolidated Cash Flow Statement

For the year ended 31 March 2005

	Note	2005 HK\$'000	2004 HK\$'000
Cash flows from operating activities			
(Loss)/Profit before taxation		(13,863)	7,730
Adjustments for:			
Finance costs		–	1
Interest income		(275)	(439)
Loss on disposal of fixed assets		297	369
Depreciation		4,042	4,427
Provision for impairment of long term investments		–	5,700
Amortisation of goodwill		–	1,974
Amortisation of other intangible assets		1,893	1,893
Write off of deposits		–	466
Provision for bad and doubtful debts		602	541
Long outstanding trade and other payables written back		(559)	(2,154)
Operating (loss)/profit before working capital changes		(7,863)	20,508
(Increase)/Decrease in other assets		(75)	130
Increase in trade receivables, short term loan receivables, prepayments, deposits and other receivables		(29,362)	(50,087)
Decrease/(Increase) in short term investments		5,392	(7,050)
Increase in trust bank balances and trust time deposits held on behalf of customers		(10,359)	(85,719)
Increase in trade payables, other payables and accruals		25,453	94,469
Net cash used in operating activities		(16,814)	(27,749)
Cash flows from investing activities			
Interest received		275	439
Purchase of fixed assets		(3,088)	(1,916)
Proceeds from disposal of fixed assets		4	7
Additions of intangible assets		–	(400)
Purchase of long term investments		(1,947)	(472)
Return of capital of long term investments		–	6,006
Increase in long term loan receivable	18	–	(14,580)
Net cash used in investing activities		(4,756)	(10,916)
Cash flows from financing activities			
Interest paid		–	(1)
New short term bank loans		45,482	38,518
Repayment of short term bank loans		(19,927)	(8,500)
Customer deposit received	18	–	14,580
Net cash generated from financing activities		25,555	44,597
Net increase in cash and cash equivalents		3,985	5,932
Cash and cash equivalents at 1 April 2004		22,933	17,001
Cash and cash equivalents at 31 March 2005		26,918	22,933
Analysis of balances of cash and cash equivalents			
Cash and bank balances		21,316	17,343
Time deposits		5,602	5,590
		26,918	22,933