

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2005

	Notes	2005 HK\$'000	2004 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		5,776	2,933
Adjustments for:			
Interest income	5	(1,883)	(1,335)
Depreciation	6	189	400
Gain on disposal of fixed assets	5	—	(26)
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Operating profit before working capital changes		4,082	1,972
Decrease/(increase) in prepayments, deposits and other receivables		(7,545)	5,359
Decrease/(increase) in short term investments		(1,857)	18,639
Increase in other payables and accruals		6,395	111
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Cash generated from operations		1,075	26,081
Interest received		1,883	1,335
Overseas tax paid		(301)	—
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Net cash inflow from operating activities		2,657	27,416
CASH FLOWS FROM FINANCING ACTIVITY			
New bank loan		12,300	—
Repayment of bank loan		(12,300)	—
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Net cash inflow from financing activity		—	—
CASH FLOWS FROM INVESTING ACTIVITIES			
Advance to a third party		(12,300)	—
Repayment of advances to a third party		12,300	—
Purchases of fixed assets	12	(1,134)	—
Proceeds from disposal of fixed assets		—	52
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Net cash inflow/(outflow) from investing activities		(1,134)	52
NET INCREASE IN CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at beginning of year		137,160	109,684
Effect of foreign exchange rate changes, net		8	8
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CASH AND CASH EQUIVALENTS AT END OF YEAR		138,691	137,160
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances	15	134,189	137,160
Time deposit with original maturity of less than three months when acquired, pledged as security for bank guarantees	15	4,502	—
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		138,691	137,160
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