

Consolidated Cash Flow Statement

For the year ended 31st December, 2004

	2004 HK\$'000	2003 HK\$'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	99,925	(92,884)
Adjustments for:		
Fixed assets written off	268	3,762
Expenditure incurred for disposal of leasehold land and Buildings and investment properties	10,445	454
Interest expenses less amount capitalized	38,187	75,049
Depreciation of properties and equipment	213	3,151
Net gain on disposal of property, plant and equipment	(415)	–
Gain on disposal of development properties	(119,549)	–
Gain on disposal of leasehold land and buildings	–	(5,303)
Gain on disposal of investment properties	(31,340)	(4,498)
Operating cash flow before movements in working capital	(2,266)	(20,269)
Decrease/(Increase) in trade receivables	625	(345)
Decrease/(Increase) in prepayments and deposits	713	1,769
Decrease in trade payables	(3,993)	(2,014)
Increase in accrued liabilities and other payable	5,440	2,053
(Decrease)/Increase in deferred income and deposits from customers	(534)	83
Cash used in operations	(15)	(18,723)
Tax paid	–	(44)
NET CASH USED IN OPERATING ACTIVITIES	(15)	(18,767)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to properties and equipment	–	(219)
Additions to development properties	–	(20,451)
Proceeds from disposal of properties and equipment	1,036	–
Proceeds from disposal of investment properties	2,300	–
Proceed from disposal of completed property for sales	–	480
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	3,336	(20,190)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in bank loans	36,522	82,472
Increase in loans payable	–	724
Decrease in amount due to related companies	–	(127)
Advance from a director	–	30,300
Increase in amount due to a former director	401	606
Increase in amount due to shareholders	–	216
Capital element of finance lease rental payments	(851)	(468)
Interest paid	(38,187)	(75,049)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(2,115)	38,674
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,206	(283)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	(12,460)	(12,177)
CASH AND CASH EQUIVALENTS AT END OF YEAR	(11,254)	(12,460)
ANALYSIS OF THE BALANCE OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	2,880	1,674
Bank overdrafts	(14,134)	(14,134)
	(11,254)	(12,460)