

Consolidated Cash Flow Statement

Year ended 31 March 2006

	Notes	2006 HK\$'000	2005 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(15,547)	(5,831)
Adjustments for:			
Interest income		(1,191)	(98)
Finance costs		1,214	699
Depreciation		949	1,149
Amortisation of goodwill		–	374
Impairment loss of goodwill		1,449	–
Inventories written off		3,462	–
Gain on disposal of fixed assets		–	(108)
Impairment loss of doubtful debts, net		2,976	–
Impairment loss of fixed assets		–	457
Fixed assets written off		15	–
Gain on disposal of subsidiaries		–	(2,456)
Share of profits of associates		(2,708)	(2,550)
OPERATING LOSS BEFORE CHANGES IN WORKING CAPITAL			
		(9,381)	(8,364)
(Increase)/decrease in inventories		(50)	197
Increase in accounts receivable		(99)	(14,499)
Decrease in prepayments, deposits and other receivables		4,152	6,696
(Decrease)/increase in accounts payable		(16)	11,593
Increase in accrued liabilities and other payables		1,277	5,730
CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES			
		(4,117)	1,353
TAX			
Hong Kong profits tax refund		–	10
NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES – PAGE 25			
		(4,117)	1,363

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NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES – PAGE 24		(4,117)	1,363
INVESTING ACTIVITIES			
Decrease in pledged bank deposit		1,042	1,423
Acquisition of additional interests in subsidiaries		–	(1,500)
Purchase of available-for-sale investments		–	(4,426)
Disposal of subsidiaries	25	–	3,597
Dividend received from an associate		1,620	360
Proceeds from disposal of fixed assets		1,039	121
Purchases of fixed assets		(131)	(375)
Repayment to an associate		–	(549)
Interest income		1,191	98
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES		4,761	(1,251)
FINANCING ACTIVITIES			
L/C charges and interest paid		(1,214)	(699)
NET CASH USED IN FINANCING ACTIVITIES		(1,214)	(699)
Net decrease in cash and cash equivalents		(570)	(587)
Cash and cash equivalents at beginning of year		14,615	15,202
CASH AND CASH EQUIVALENTS AT END OF YEAR		14,045	14,615
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		13,890	14,310
Bills receivable		155	305
		14,045	14,615