

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 March 2020
(expressed in Hong Kong Dollars)

	Note	2020		2019	
		\$'000	\$'000	\$'000	\$'000
				(Note)	
Cash flows from operating activities					
Operating surplus before income tax		117,737		2,330,517	
Adjustments for:					
Interest income	5(b)	(395,550)		(435,724)	
Depreciation	6(a)	114,221		73,118	
Interest expense	6(a)	1,385		-	
Property, plant and equipment written off	5(b)	-		5,672	
Net foreign exchange loss/(gain)		4,158		(7,617)	
Net gain on investments at fair value through profit or loss	5(b)	-		(1,778)	
Provision for/(write back of) impairment on properties and committed projects, net		<u>1,025,193</u>		<u>(841,326)</u>	
Operating surplus before working capital changes		867,144		1,122,862	
Changes in balances with joint development projects		(124,328)		(173,910)	
Increase in properties under development		(6,659,559)		(3,723,951)	
Decrease in properties held for sale		19,482		73,496	
Decrease in building rehabilitation loans		3,849		4,785	
Decrease/(increase) in prepayments		9,555		(103,756)	
Increase in other receivables		(699,459)		(413,025)	
(Increase)/decrease in trade and other receivables		(213,419)		9,051	
Increase/(decrease) in trade and other payables		478,681		(113,662)	
Decrease in investments at fair value through profit or loss		<u>-</u>		<u>482,736</u>	
Cash used in operations		(6,318,054)		(2,835,374)	
Interest received		454,031		316,923	
Interest paid		<u>(61,435)</u>		<u>(65,772)</u>	
Net cash used in operating activities			(5,925,458)		(2,584,223)

The notes on pages 113 to 157 form part of these consolidated financial statements.

for the year ended 31 March 2020
(expressed in Hong Kong Dollars)

	Note	2020		2019	
		\$'000	\$'000	\$'000	\$'000
				(Note)	
Cash flows from investing activities					
Decrease/(increase) in bank deposits with original maturities of more than 3 months		5,251,115		(1,128,285)	
Payment for purchase of investments at amortised cost		-		(1,438,163)	
Payment for purchase of property, plant and equipment		(64,421)		(56,261)	
Redemption of investments at amortised cost		<u>3,158,061</u>		<u>1,534,684</u>	
Net cash generated from/(used in) investing activities			8,344,755		(1,088,025)
Cash flows from financing activities					
Redemption of debt securities	13	(1,000,000)		-	
Capital element of lease rentals paid	13	(42,206)		-	
Interest element of lease rentals paid	13	<u>(3,647)</u>		-	
Net cash used in financing activities			<u>(1,045,853)</u>		<u>-</u>
Net increase/(decrease) in cash and cash equivalents					
			1,373,444		(3,672,248)
Cash and cash equivalents at 1 April					
Exchange loss on cash and cash equivalents			<u>(585)</u>		<u>-</u>
Cash and cash equivalents at 31 March					
			<u><u>2,173,394</u></u>		<u><u>800,535</u></u>
Analysis of cash and bank balances					
Cash and cash equivalents			2,173,394		800,535
Bank deposits with original maturities of more than 3 months			<u>7,640,903</u>		<u>12,895,590</u>
Cash and bank balances at 31 March					
	13		<u><u>9,814,297</u></u>		<u><u>13,696,125</u></u>

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 April 2019 to recognise right-of-use assets and lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Previously, cash payments under operating leases made by the Group as a lessee of \$40,863,000 were classified as operating activities in the consolidated statement of cash flows. Under HKFRS 16, except for short-term lease payments, payments for leases of low value assets and variable lease payments not included in the measurement of lease liabilities, all other rentals paid on leases are now split into capital element and interest element (see note 13) and classified as financing cash outflows. Under the modified retrospective approach, the comparative information is not restated. Further details on the impact of the transition to HKFRS 16 are set out in note 2(b).

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