Consolidated Statement of Cash Flows

For the financial year ended 31 December 2010

	Note	2010 \$'000	2009 \$'000	FRS 7(1)
		\$ 000	\$ 000	SGX 1207(5)(c)
Cash flows from operating activities ¹				FRS 7(10,18(b))
Total profit		31,976	18,020	
Adjustments for				FRS 7(20)(b-c)
- Income tax expense		14,958	7,531	
- Employee share option expense		690	622	
 Amortisation, depreciation and impairment² Gain on disposal of property, plant and equipment 		23,204 (17)	10,097	
- Impairment loss on financial assets, available-for-sale	<u>a</u>	575	(8)	
 Net gain on disposal of financial assets, available-for- 		(200)	_	
- Reclassification adjustments from hedging reserve to		(230)	(354)	
- Loss on disposal of a subsidiary		945	_	
- Fair value loss/(gain) on investment property		123	(50)	
- Interest income ³		(1,180)	(620)	FRS 7(31-34)
- Dividend income ³		(2,230)	(400)	FRS 7(31-34)
 Finance expenses³ Share of loss/(profit) of associated companies 		9,812 174	7,884 (145)	FRS 7(31-34)
- Unrealised currency translation (gains)/losses ⁶		970	1,001	FRS 7(25,26)
emodification (game)/100000		79,570	43,578	1110 1 (20,20)
Change in working capital, net of effects from		,	,	FRS 7(20)(a)
acquisition and disposal of subsidiaries				
 Inventories and construction work-in-progress 		(7,887)	1,031	
- Trade and other receivables		(6,986)	1,117	
- Financial assets, at fair value through profit or loss		(2,651)	(500)	
Trade and other payablesProvisions for liabilities and other charges		(8,527) (308)	526 39	
Cash generated from operations ⁵		53,211	45,791	
Interest received ³		35	13	FRS 7(31)
Interest paid ³		(5,789)	(9,574)	FRS 7(31)
Income tax paid		(15,504)	(10,974)	FRS 7(35)
Net cash provided by operating activities		31,953	25,256	
Cash flows from investing activities				FRS 7(21)
Acquisition of a subsidiary, net of cash acquired	47	(13,400)	_	FRS 7(39,42)
Additions to property, plant and equipment ⁴		(9,565)	(6,042)	FRS 7(16(a),43)
Additions to investment property		(288)	(2,040)	
Additions of intangible assets Purchases of financial assets, available-for-sale		(2,813)	(700)	FRS 7(16)(a)
Purchases of financial assets, held-to-maturity		(3,956) (472)	(691) (372)	FRS 7(16)(c) FRS 7(16)(c)
Disposal of a subsidiary, net of cash disposed of	13	179	(012)	FRS 7(10)(c)
Disposal of property, plant and equipment		4,974	2,995	FRS 7(16)(b)
Disposal of investment property		70	_	
Disposal of financial assets, available-for-sale		300	_	FRS 7(16)(d)
Loans to an associated company		(1,455)	(547)	FRS 7(16)(e)
Repayment of loans by an associated company		63	98	FRS 7(16)(f)
Dividends received ³ Interest received ³		2,230	396	FRS 7(31)
Net cash used in investing activities		2,290 (21,843)	(6,557)	FRS 7(31)
1101 Cash used in investing activities		(21,043)	(0,337)	

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2010

	Note	2010 \$'000	2009 \$'000	
Cash flows from financing activities				FRS 7(21)
Proceeds from issuance of ordinary shares		9,471	_	FRS 7(17)(a)
Proceeds from re-issuance of treasury shares		982	_	FRS 7(17)(a)
Proceeds from issuance of convertible bond		50,000	-	FRS 7(17)(a,c)
Proceeds from issuance of redeemable preference				
shares to immediate holding corporation		_	30,000	FRS 7(17)(c)
Proceeds from borrowings		8,500	18,000	FRS 7(17)(c)
Purchase of treasury shares		(2,072)	(900)	FRS 7(17)(b)
Repayment of borrowings		(71,434)	(36,745)	FRS 7(17)(d)
Repayment of lease liabilities		(165)	(93)	FRS 7(17)(e)
Interest ³		(3,180)	(450)	FRS 7(31)
Dividends paid to equity holders of the Company		(10,102)	(15,736)	FRS 7(31)
Dividends paid to non-controlling interests		(1,920)	(550)	FRS 7(31)
Net cash used in financing activities		(19,920)	(6,474)	
Net (decrease)/increase in cash and cash equivalents		(9,810)	12,225	
Cash and cash equivalents				
Beginning of financial year	13	29,548	17,387	FRS 7(45)
Effects of currency translation on cash and cash equivalents ⁷		(578)	(64)	FRS 7(28)
End of financial year	13	19,160	29,548	FRS 7(45)

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2010

Guidance notes

Consolidated Statement Of Cash Flows

Direct method

1. An entity can present its cash flow statement using the direct or indirect method; the latter is illustrated in this publication. When the direct method is used, the cash flows from operating activities shall be presented as follows:

FRS 7(18)(a)

FRS 7 App A FRS 7(19)

	2010	2009
	\$'000	\$'000
Cash flows from operating activities		
Cash receipts from customers	205,483	143,507
Cash paid to suppliers and employees	(152,272)	(97,716)
Cash generated from operations	53,211	45,791
Interest received	35	13
Interest paid	(5,789)	(9,574)
Income taxes paid	(15,504)	(10,974)
Net cash provided by operating activities	31,953	25,256

The rest of the "direct method" consolidated cash flow statement is similar to that of the indirect method.

Discontinued operations

2. Non-cash items excluded from profit for purposes of the cash flow statement should include those non-cash items attributed to discontinued operations.

Dividends and interest

3. Cash flows from interest received and paid and dividends received shall each be disclosed separately, and classified consistently period to period.

FRS 7(31-34)

The interest amounts to be adjusted against profit after tax are the amounts charged or credited to profit or loss. The amounts to be shown under financing or investing cash flows shall be strictly cash paid or received during the period; differences will be reflected in the changes in operating assets and liabilities or as additions to qualifying assets if interest has been capitalised in the cost of these assets.

Additions to property, plant and equipment

4. Additions to property, plant and equipment in the cash flow statement should be net of hedging gains/losses transferred from hedging reserve.

Reconciliation from profit after tax to cash generated from operations

5. As an alternative, an entity can present the reconciliation in the notes to the financial statements.

Currency translation differences

6. The adjustment of total profit for unrealised currency translation (gains)/losses usually includes currency translation differences on monetary items that form part of investing or financing activities such as long terms loans. This is because these currency translation differences are included as a part of profit or loss for the financial year and need to be eliminated in arriving at the net cash flows from operating activities, as they do not relate to operating activities.

On the other hand, unrealised currency translation differences on monetary items that form part of operating activities, such as trade receivables or payables, do not usually require such adjustment, as they are already adjusted through the change in working capital lines.

7. Currency translation differences that arise on the translation of foreign currency cash and cash equivalents should be reported in the statement of cash flows in order to reconcile opening and closing balances of cash and cash equivalents, separately from operating, financing and investing cash flows.

FRS 7(28)