

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2009

	Note	2009 \$'000	2008 \$'000	FRS 7(1) SGX 1207(5)(c)
Cash flows from operating activities¹				FRS 7(10,18(b))
Total profit		32,576	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 impairment ²		23,204	10,097	
- Gain on disposal of property, plant and equipment		(17)	(8)	
- Impairment loss on financial assets, available-for-sale		575	—	
- Net gain on disposal of financial assets, available-for-sale		(200)	—	
- Reclassification adjustments from hedging reserve to profit or loss		(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 expenses ³		9,812	7,884	FRS 7(31-34)
- Share of loss/(profit) of associated companies		174	(145)	
- Unrealised currency translation (gains)/losses		970	1,001	FRS 7(25,26)
		80,170	43,578	
Change in working capital, net of effects from acquisition and disposal of subsidiaries				FRS 7(20)(a)
- 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 payables		(8,577)	526	
- Provisions for liabilities and other charges		(308)	39	
Cash generated from operations ⁵		53,761	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		32,503	25,256	
Cash flows from investing activities				FRS 7(21)
Acquisition of a subsidiary, net of cash acquired	13	(13,950)	—	FRS 7(39,42)
Additions to property, plant and equipment ⁴		(9,565)	(8,082)	FRS 7(16(a),43)
Additions to investment property		(288)	—	
Additions of intangible assets		(2,813)	(700)	FRS 7(16)(a)
Purchases of financial assets, available-for-sale		(3,956)	(691)	FRS 7(16)(c)
Purchases of financial assets, held-to-maturity		(472)	(372)	FRS 7(16)(c)
Disposal of a subsidiary, net of cash disposed of	13	179	—	FRS 7(39,42)
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)
Receipt of dividends ³		2,230	396	FRS 7(31)
Receipt of interest ³		2,290	346	FRS 7(31)
Net cash used in investing activities		(22,393)	(6,557)	

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Cash flows from financing activities				
Proceeds from issuance of ordinary shares		9,471	—	FRS 7(21)
Proceeds from re-issuance of treasury shares		982	—	FRS 7(17)(a)
Proceeds from issuance of convertible bond		50,000	—	FRS 7(17)(a)
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 – equity holders of the Company		(10,102)	(15,736)	FRS 7(31)
Dividends – minority 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		(578)	(64)	FRS 7(28)
End of financial year	13	19,160	29,548	FRS 7(45)

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Guidance notes

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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:

	2009 \$'000	2008 \$'000
Cash flows from operating activities		
Cash receipts from customers	114,461	143,507
Cash paid to suppliers and employees	(103,335)	(97,716)
Cash generated from operations	<u>11,126</u>	<u>45,791</u>
Interest received	35	13
Interest paid	(8,985)	(9,574)
Income taxes paid	(15,504)	(10,974)
Net cash (used in)/provided by operating activities	<u>(13,328)</u>	<u>25,256</u>

FRS 7(18)(a)

FRS 7 App A
FRS 7(19)

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.