

# Cash Flow Statement

For the period ended 30 June	Company		Group	
	2008	2007	2008	2007
	LKR ' 000	LKR ' 000	LKR ' 000	LKR ' 000
<b>Cash Flow from Operating Activities</b>				
Interest and commission receipts	370,809	345,096	589,546	567,532
Interest payments	(206,270)	(125,186)	(301,261)	(206,648)
Receipts from other operating activities	22,465	22,640	32,404	33,173
Cash payments to employees and suppliers	(81,497)	(65,069)	(139,831)	(119,917)
Payments on other operating activities	(45,217)	(94,461)	(50,763)	(108,988)
<b>Operating profit before changes in operating assets</b>	<b>60,290</b>	<b>83,020</b>	<b>130,095</b>	<b>165,152</b>
<b>(Increase)/Decrease in operating assets:</b>				
(Increase)/Decrease in operating assets	(73,178)	37,589	(13,183)	196,693
Funds advanced to customers	(237,227)	(460,375)	(269,559)	(492,204)
<b>Increase/(Decrease) in operating liabilities</b>				
Operating liabilities	(14,656)	(43,492)	(15,066)	114,357
Deposits from customers	-	-	(24,083)	(245,789)
Net cash from operating activities before income tax	(264,771)	(383,258)	(191,796)	(261,791)
Income tax paid	(8,710)	(7,067)	(13,297)	(9,572)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>(273,481)</b>	<b>(390,325)</b>	<b>(205,093)</b>	<b>(271,363)</b>
<b>Cash Flows from Investing Activities</b>				
Purchase of Property, Plant & Equipment	(9,216)	(3,427)	(10,194)	(6,711)
Dividend income	2,628	1,913	2,633	1,918
Purchase of investments	(25,309)	(53,637)	(40,909)	(53,637)
Proceeds from Sale of Property, Plant & Equipment	-	698	41	698
Proceeds from sale of investments	18,550	50,885	18,550	50,885
<b>Net cash inflow/(outflow) from investing activities</b>	<b>(13,347)</b>	<b>(3,568)</b>	<b>(29,879)</b>	<b>(6,847)</b>
<b>Cash flows from financing activities</b>				
Dividend paid	(90,000)	(90,000)	(90,000)	(90,000)
Cash inflow from long term liabilities	250,000	563,870	250,000	563,870
Repayment of long term liabilities	(277,689)	(271,884)	(290,073)	(288,818)
Proceeds from short term term liabilities	1,587,807	1,145,700	1,587,807	1,145,700
Repayment of short term liabilities	(904,332)	(1,033,831)	(904,332)	(1,033,831)
<b>Net cash inflow/(outflow) from financing activities</b>	<b>565,786</b>	<b>313,855</b>	<b>553,402</b>	<b>296,921</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>278,958</b>	<b>(80,038)</b>	<b>318,430</b>	<b>18,711</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>(207,956)</b>	<b>(60,455)</b>	<b>71,313</b>	<b>118,809</b>
<b>Cash and cash equivalents at end of the period (Note. 1)</b>	<b>71,002</b>	<b>(140,493)</b>	<b>389,743</b>	<b>137,520</b>

**Note 1 Reconciliation of cash and cash equivalents**

Government treasury bills	126,159	-	426,159	285,881
Cash in hand and at bank	15,860	582	42,174	10,410
Bank overdrafts	(71,017)	(141,075)	(78,590)	(158,771)
	<b>71,002</b>	<b>(140,493)</b>	<b>389,743</b>	<b>137,520</b>