

FIRST LIFE INSURANCE COMPANY LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 1995

	1995	1994
Cash Flows from Operating Activities	\$'000	\$'000
Net Profit	155,489	179,241
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation	12,731	7,653
Deferred expenses amortised	1,345	1,558
Gain/(loss) on sale of fixed assets	(118)	3,730
Group share of (profit)/loss retained in associated companies	(360)	2,176
Increase in reserve for future benefits	73,684	134,514*
Increase in policy dividends on deposit	1,471	691
Transfer from investment reserve	(169,416)	(155,869)
Provision for loan losses	2,525	4,791
Increase in other assets and liabilities excluding cash and deferred expenses	(45,756)	(51,275)
Net cash provided by operating activities	31,595	127,210

Cash Flows From Investing Activities

Carib Investment Fund	283	101
Proceeds from sale of fixed assets	1,905	7,101
Purchase of fixed assets	(40,892)	(39,510)
(Increase)/decrease in investments (net)	(12,524)	29,620*
Cash purchased in subsidiary	-	918
Loans to associated companies	14,413	(15,838)
Deferred expenses	(4,286)	(5,114)
Net cash used in investing activities	(41,101)	(22,722)*

Cash Flows From Financing Activities

Holding company and fellow subsidiaries	(7,973)	(29,842)
Long term liabilities and bank loans (net)	-	(120)
Long term loan written back	-	(5,000)
Dividends paid	(15,000)	(9,240)
Net cash (used in)/provided by financing activities	(22,973)	(44,202)
Net (decrease)/increase in cash	(32,479)	60,286*
Net cash at beginning of year	227,423	167,137

NET CASH AT END OF YEAR**194,944 227,423*****Represented by:**

Deposits	66,375	120,628
Cash at bank and in hand	136,781	122,537
Bank overdrafts	(8,212)	(15,742)
	194,944	227,423

*Reclassified for comparative purposes.