

LIFE OF JAMAICA LIMITED

Consolidated Statement of Cash Flows

Year ended December 31, 1995

	Notes	Thousands of Dollars	
		1995	1994
Sources of Cash			Restated
Increase in policyholders' and shareholders' funds before taxation		763,620	847,126
Adjustments to convert income and expense to a cash basis: increase in net liabilities (excluding taxation, proposed dividends, bank loans and overdraft)		1,952,000	2,945,281
Profit retained in associated companies		(25,366)	(21,016)
Profit on sale of fixed assets		(54,839)	(67,328)
Depreciation of fixed assets		135,250	97,961
Translation adjustment to fixed assets		(11,051)	(910)
(Decrease)/ increase in investment reserve		(140,170)	211,486
Minority interest		16,998	207,750
Total cash generated from operations		2,636,442	4,220,350
Other sources of cash:			
Proceeds of sale of fixed assets		91,072	115,660

	2,727,514	4,336,010
Repayment of bank loans	(126,677)	(131,632)
Tax paid (including tax attributable to franked investment income)	(54,734)	(53,909)
Dividends paid	(14,906)	(14,906)
Purchase of fixed assets	(226,787)	(270,356)
Redemption of preference shares	(158)	(158)
Cash available for investment	2,304,252	3,865,049
Net changes in investments		
Increase/(decrease) in:		
Leased assets	(2,026)	(2,939)
Real estate	42,255	60,439
Quoted equities	349,592	1,084,270
Government of Jamaica and other fixed interest securities	(462,215)	750,408
Unit trust	(1,098)	(38,565)
Term loans and deposits	(314,509)	586,095
Bank loans	1,289,717	1,240,118
Mortgage loans	302,401	6,092
Policy loans	272,757	420,180
Cash utilized for investments	1,476,874	4,106,098
	827,378	(241,049)
Increase/(decrease) in cash balances	937,727	(258,943)
(Increase)/decrease in bank overdrafts	(110,349)	17,894
	827,378	(241,049)

The accompanying notes form an integral part of the financial statements.