

LIFE OF JAMAICA LIMITED 1996

Statement of Group Cash Flows

Year ended December 31, 1996

Thousands of Dollars
1996 1995*

CASH FLOWS FROM OPERATING ACTIVITIES:

(Decrease)/increase in policyholders'
and shareholders' funds

(1,737,068) 1,027,543

Adjustments to convert income and expense to a cash basis:

Loss/(profit) on sale of fixed assets

4,014 (54,839)

Gain on sale of associated company

(33,768) -

Depreciation

144,188 135,250

Translation and revaluation adjustment to fixed assets

7,215 (11,051)

Profit retained in associated companies

(1,825) (25,366)

Decrease in investment reserve

(45,356) (140,170)

Minority interest

(206,963) (36,199)

Appreciation on unit linked policy funds

(307,979) (310,812)

Amortization of deferred expenses

46,282 2,940

Goodwill amortised

46,256 47,281

(2,085,004) 634,577

(Increase)/decrease in other assets

700,029 (347,468)

Increase/(decrease) in other liabilities

(327,068) 2,226,338

Net cash (used)/provided by operating activities

(1,712,043) 2,513,447

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sale of associated company	123,874	-
Proceeds from sale of fixed assets	32,003	91,072
Purchase of fixed assets	(121,497)	(226,787)
Leased assets	(546)	2,026
Real estate	631,936	(42,255)
Quoted equities	55,217	(349,592)
Government of Jamaica and other fixed interest securities	(648,537)	462,215
Unit trust	46,344	1,098
Term loans and deposits	(21,026)	314,509
Bank loans	915,204	(1,289,717)
Mortgage loans	123,081	(302,401)
Policy loans	<u>119,097</u>	<u>(272,757)</u>
Net cash provided/(used) by investing activities	<u>1,255,150</u>	<u>(1,612,589)</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Associated company	19,832	-
Bank loans and overdraft	(93,033)	(16,328)
Minority interest	<u>123,915</u>	<u>53,197</u>
Net cash provided by financing activities	<u>50,714</u>	<u>36,869</u>

Net (decrease)/increase in cash resources	(406,179)	937,727
Cash resources at beginning of year	<u>3,012,142</u>	<u>2,074,415</u>
Cash resources at end of year	<u>\$2,605,963</u>	<u>3,012,142</u>

*Restated to conform with 1996 presentation.

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