

# FIRST LIFE INSURANCE COMPANY 1997

---

## Consolidated Statement of Cash Flows

YEAR ENDED 31 DECEMBER 1997

	1997 \$'000	1996 \$'000
<b>Cash Flows from Operating Activities</b>		
Net Profit	161,776	132,952
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation	15,776	18,342
Deferred expenses amortised	2,725	1,083
Gain on sale of fixed assets	(798)	(562)
Loss on sale of investments	404	-
Group share of profit retained in associated companies	(7,874)	(5,570)
Increase in reserve for future benefits	83,733	90,446
Increase in policy dividends on deposit	2,754	2,677
Transfer from investment reserve	(98,018)	(109,040)
Provision for loan losses	6,229	17,876
Increase in other assets and liabilities excluding cash and deferred expenses	( 27,611)	( 45,652)
Net cash provided by operating activities	<u>139,096</u>	<u>102,552</u>

**Cash Flows From Investing Activities**

Carib Investment Fund	(869)	248
Proceeds from sale of fixed assets	2,660	1,696
Purchase of fixed assets	(22,072)	(21,584)
Investments	(225,924)	(93,894)
Proceeds from sale of investments	20,453	44,641
Loans repaid by associated companies	4,628	21,959
Deferred expenses	( 5,309)	( 4,021)
Net cash used in investing activities	<u>(226,433)</u>	<u>(50,955)</u>

**Cash Flows From Financing Activities**

Holding company	(9,871)	232
Loans received	23,351	17,500
Loans repaid	(5,914)	-
Dividends paid	(9,990)	-
Net cash (used in)/provided by financing activities	<u>(2,424)</u>	<u>17,732</u>

(Decrease) / Increase in net cash and cash equivalents	(89,761)	69,329
Net cash and cash equivalents at beginning of year	<u>264,273</u>	<u>194,944</u>
NET CASH AND CASH EQUIVALENTS AT END OF YEAR	<b><u>174,512</u></b>	<b><u>264,273</u></b>

**Represented by:**

Assets held under repurchase agreements	82,944	165,200
Commercial paper	10,000	-
Deposits	3,487	7,759
Cash at bank and in hand	86,842	94,326
Bank overdrafts	( 8,761)	( 3,012)
	<b><u>174,512</u></b>	<b><u>264,273</u></b>

---