

# LIFE OF JAMAICA LIMITED 1997

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## Consolidated Statement of Cash Flows

	Thousands of Dollars	
	1997	1996
Cash flows from operating activities:		
Net profit/(loss) for the year	92,113	(1,053,084)
Net movement in policyholders funds	(115,957)	( 682,080)
Preference dividends	-	( 37)
Transfer to capital redemption reserve fund	-	( 158)
Transfer from/ (to) statutory banking reserve	<u>30,483</u>	<u>( 1,709)</u>
	6,639	(1,737,068)
Adjustments to convert income and expense to a cash basis:		
Gain on sale of shares in subsidiary	(253,024)	-
Net investment in subsidiary sold	39,887	-
Transfer from investment reserves	139,901	5,116
Depreciation	71,314	144,188
Goodwill amortised	32,860	46,256
Amortisation of deferred expenses	71,104	46,282
Minority interest in subsidiaries	27,053	(206,963)
Loss on sale of fixed assets	11,438	4,014
Net adjustments to fixed assets on sale subsidiary	237,261	-
Depreciation/appreciation on unit linked policies	197,086	(307,979)

Gain on sale of associated company	-	(33,768)
Translation and revaluation adjustment to fixed assets	(1,005)	7,215
Profit retained in associated companies	<u>(2,501)</u>	<u>(1,825)</u>
	578,013	(2,034,532)
Decrease in other assets	1,160,299	700,029
(Decrease) in other liabilities	(13,119,181)	(327,068)
Net cash used by operating activities	<u>(11,380,869)</u>	<u>(1,661,571)</u>
Cash flows from investing activities:		
Investments	7,333,927	1,170,298
Additions to fixed assets	(49,702)	(121,497)
Proceeds of sale of fixed assets	15,285	32,003
Proceeds from sale of shares in subsidiary	182,654	-
Proceeds from sale of associated company	-	123,874
Net cash provided by investing activities	<u>7,482,164</u>	<u>1,204,678</u>
Cash flows from financing activities:		
Increase in share capital		
Share premium	1,071,015	-
Associated company	128,985	-
Bank loans and overdraft	(15,519)	19,832
Minority interest	262,858	(93,033)
Net cash provided by financing activities	<u>(4,438)</u>	<u>123,915</u>
Net decrease in cash resources	<u>1,442,901</u>	<u>50,714</u>
Cash resources at beginning of year	(2,455,804)	(406,179)
Cash resources at end of year	<u>2,605,963</u>	<u>3,012,142</u>
	<b><u>150,159</u></b>	<b><u>2,605,963</u></b>

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

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