

# Guardian Holdings Limited

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## Consolidated Cash Flow Statement

Year ended 31 December

	Notes	2000 \$'000	1999 \$'000 Restated
Operating Activities			
Operating profit		99,320	76,199
Adjustments for:			
Transfer from investment valuation reserve		(37,147)	(41,022)
Increase in the value to shareholders of in-force long term business		(17,954)	(13,454)
Profit on sale of investments		(16,843)	(3,296)
Increase in pension plan assets		(4,714)	(4,207)
Increase in reserves for policyholders' benefits		162,409	102,365
Profits transferred to participating policyholders		17,936	6,286
Funds generated from deposit administration		82,693	31,990
Depreciation		13,347	7,264
Deficit on valuation of leasehold property		(6,459)	--
(Gain)/loss on disposal of property, plant and equipment		(292)	747
Capital appreciation on zero coupon bonds		(7,066)	(4,851)
Capitalised interest		-	7,839
Goodwill amortisation	6	<u>14,769</u>	<u>3,003</u>
Operating profit before working capital changes		299,999	168,863
Increase in current assets other than cash at bank and in hand and taxation recoverable		(288,200)	(164,942)

Increase in current liabilities other than retention, bank overdraft, short-term borrowings, taxation payable and dividends		669,310	17,519
Net Cash From Operating Activities		<u>681,109</u>	<u>21,440</u>
Corporation Taxes Paid		<u>(7,406)</u>	<u>(1,159)</u>
Investing Activities			
Purchase of property, plant and equipment		(85,131)	(6,370)
Proceeds on sale of property, plant and equipment		15,853	1,862
Acquisition of subsidiaries, net of cash acquired	19	27,703	--
Purchase of investment properties		(129,724)	(39,677)
Net (increase)/decrease in property development in progress		(1,396)	(88,670)
New mortgages		(22,358)	(15,701)
Mortgage repayments		2,356	6,326
Net decrease in policy loans		7,812	2,775
Net (increase)/decrease in deposits and bankers' acceptances		(71,714)	31,900
Increase in other investments		(910,683)	(132,597)
Proceeds on sale of other investments		<u>440,328</u>	<u>185,995</u>
Net Cash Used in Investing Activities		<u>(726,954)</u>	<u>(54,157)</u>
Financing Activities			
Issue of shares		1,344	3,800
Medium term debt		217,828	88,288
Dividends paid		<u>(36,306)</u>	<u>(20,718)</u>
Net Cash Provided By Financing Activities		<u>182,866</u>	<u>71,370</u>
Net Increase In Cash	20	<u>129,615</u>	<u>37,494u</u>

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