

# Guardian Holdings Limited

## Consolidated Cash Flow Statement

Year ended 31 December, 2001

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	Notes	2001 \$'000	2000 \$'000
<b>Operating Activities</b>			
Operating Profit (before share of profits of associated companies & tax)		109,495	99,320
Adjustment for:			
Interest Expense		78,991	65,243
Transfer from investment valuation reserve,,		-	(37,147)
Increase in the value to shareholders of inforce long-term business		(21,481)	(17,954)
Surplus on revaluation of investment properties		(9,625)	-
Net movement in investment portfolio		(92,117)	-
Dividends received from associated companies		48,878	-
Profit on sale of investments		(14,564)	(16,843)
Increase in pension plan assets		(13,422)	(4,714)
Increase in reserves for policyholders' benefits		167,413	162,409
Profits transferred to participating policyholders		17,144	17,936
Funds generated from Deposit Administration		72,565	82,693
Depreciation		18,064	13,347
Deficit on valuation of leasehold property		1,331	(6,459)
(Gain)/Loss on disposal of property, plant & equipment		978	(292)
Capital appreciation on zero coupon bonds		(8,631)	(7,066)
Capitalised interest		10,724	-
Goodwill amortisation	6	22,587	14,769

Translation adjustments	5,697	-
Movement in General Insurance Funds	28,462	-
Operating Profit before working capital changes	422,489	365,242
Increase in current assets other than cash at bank and in hand and taxation recoverable	148,463	(288,200)
Net (decrease)/increase in life assurance funds	10,337	-
(Decrease)/Increase in current liabilities other than retention, bank overdraft, short-term borrowings, taxation payable and dividends	(358,664)	677,182
<b>Net Cash from Operating Activities</b>	<b>222,625</b>	<b>754,224</b>
<b>Net Corporation Taxes Refunded/(Paid)</b>	<b>3,974</b>	<b>(7,406)</b>
<b>Investing Activities</b>		
Purchase of property, plant & equipment	(67,692)	(85,131)
Proceeds on sale of property, plant & equipment	10,055	15,853
Acquisition of subsidiaries, net of cash acquired	19 (11,292)	27,703
Purchase of investment properties	(121,079)	(129,724)
Net (increase)/decrease in property development in progress	116,888	(1,396)
New Mortgages	(10,363)	(22,358)
Mortgage repayments	706	2,356
Net decrease in policy loans	(1,368)	7,812
Net decrease/(increase) in deposits & bankers acceptances	(265,040)	(71,714)
Increase in other investments	(829,747)	(910,683)
Proceeds on sale of other investments	350,531	440,328
<b>Net Cash used in Investing Activities</b>	<b>(828,401)</b>	<b>(726,954)</b>
<b>Financing Activities</b>		
Issue of shares	422,255	1,344
Borrowings	380,453	217,828
Interest on Borrowings	(84,458)	(73,115)
Dividends paid	(52,289)	(36,306)
<b>Net Cash provided by Financing Activities</b>	<b>665,961</b>	<b>109,751</b>
<b>Net increase in Cash</b>	<b>20 64,159</b>	<b>129,615</b>