

# PEGASUS HOTELS OF JAMAICA LIMITED

## STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2005

---

	2005	2004
	\$'000	\$'000
<b>Cash Flows from Operating Activities</b>		
Net profit	30,692	20,115
Items not affecting cash:		
Depreciation	49,122	51,714
Gain on disposal of fixed assets	-	(95)
Exchange gain on foreign balances	(375)	(755)
Interest income	(19,985)	(19,378)
Interest expense	5,395	6,644
Taxation expense	14,638	12,250
	<u>79,487</u>	<u>70,495</u>
Changes in operating assets and liabilities:		
Inventories	(596)	(7,561)
Receivables	(13,710)	(6,132)
Payables	(6,379)	8,875
Retirement benefits	325	4,135
	<u>59,127</u>	<u>69,812</u>
Interest received	26,262	10,845
Taxation paid	(18,045)	(7,603)
Net cash provided by operating activities	<u>67,344</u>	<u>73,054</u>
<b>Cash Flows from Financing Activities</b>		
Dividends paid	(12,017)	-
Long term loan repaid	(595)	(19,702)
Finance lease repaid	(393)	(737)
Interest paid	(5,395)	(6,644)
Net cash (used in)/provided by financing activities	<u>(18,400)</u>	<u>(27,083)</u>

**Cash Flows from Investing Activities**

Purchase of investments	(100,001)	-
Purchase of fixed assets	(13,905)	(42,578)
Proceeds on disposal of fixed assets	-	95
Net cash used in investing activities	<u>(113,906)</u>	<u>(42,483)</u>
	(64,962)	3,488
Exchange gain on net foreign cash balances	<u>(152)</u>	<u>648</u>
(Decrease)/increase in cash and cash equivalents	(65,114)	4,136
Cash and cash equivalents at beginning of year	<u>99,529</u>	<u>95,393</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b> (Note 15)	<u>34,415</u>	<u>99,529</u>
	=====	=====

---