

Statement of Cash Flows Financial Year Ended 31 December 2004

Rupees '000

	Statutory Funds				Aggregate 2004	Aggregate 2003 (Restated)	
	Shareholders' Fund	Investment Linked Business	Conventional Business	Pension Business (Unit Linked)			Accident & Health Business
Operating Cash Flows							
a) Underwriting activities							
Premiums received		1 400 680	480 998	9 913	6 227	1 897 818	1 952 637
Reinsurance premiums paid		(39 262)	5 896	(57)	(2 148)	(35 571)	(78 020)
Claims paid		(49 059)	(283 325)	-	(1 804)	(334 188)	(300 714)
Surrenders paid		(297 759)	-	-	-	(297 759)	(136 654)
Commissions paid		(265 153)	(54 908)	(2 343)	(869)	(323 273)	(223 128)
Net cash flow from underwriting activities		749 447	148 661	7 513	1 406	907 027	1 214 121
b) Other operating activities							
Income tax paid	(61 730)	-	-	-	-	(61 730)	(22 139)
General management expenses paid	(10 760)	(193 233)	(33 199)	(2 419)	(1 911)	(241 522)	(210 077)
Other operating payments	-	(48 218)	(671)	(879)	(5)	(49 773)	(5 708)
Other operating receipts	4 994	-	45 277	-	1 978	52 249	60 708
Loans advanced	(6 212)	-	-	-	-	(6 212)	(2 652)
Loan repayments received	3 490	-	-	-	-	3 490	1 873
Other payments on operating assets	(18 007)	(22 889)	1	8	3	(40 884)	(1 449)
Net cash flow from other operating activities	(88 225)	(264 340)	11 408	(3 290)	65	(344 382)	(179 444)
Total cash flow from all operating activities	(88 225)	485 107	160 069	4 223	1 471	562 645	1 034 677
Investment activities							
Profit / return received	9 532	141 466	16 215	110	699	168 022	130 177
Dividends received	11 250	67 345	-	-	-	78 595	56 438
Payments for investments	(119 985)	(868 128)	-	(2 500)	-	(990 613)	(1 081 109)
Proceeds from disposal of investments	46 297	243 691	-	-	-	289 988	38 681
Fixed capital expenditure	(36 499)	-	-	-	-	(36 499)	(10 034)
Proceeds from disposal of fixed assets	7 302	-	-	-	-	7 302	1 393
Total cash flow from investing activities	(82 103)	(415 626)	16 215	(2 390)	699	(483 205)	(864 454)
Financing activities							
Surplus appropriated to shareholders' fund	199 683	(96 863)	(101 715)	(349)	(756)	-	-
Dividends paid	(14 992)	-	-	-	-	(14 992)	(14 846)
Total cash flow from financing activities	184 691	(96 863)	(101 715)	(349)	(756)	(14 992)	(14 846)
Net cash inflow/(outflow) from all activities	14 363	(27 382)	74 569	1 484	1 414	64 448	155 377
Cash at the beginning of the year	4 938	285 763	25 910	471	888	317 970	162 413
Cash at the end of the year	19 301	258 381	100 479	1 955	2 302	382 418	317 790
Reconciliation to profit and loss account							
Operating cash flows						562 645	1 034 677
Depreciation expense						(13 410)	(8 755)
Profit on disposal of fixed assets						4 067	457
(Depreciation) / appreciation in market value of investments						(7 788)	173 413
Profit on sale of investments						6 922	(523)
Increase/(decrease) in assets other than cash						307 060	1 109 937
(Increase)/decrease in liabilities other than running finance						(718 666)	(2 230 787)
Profit or loss after taxation						140 830	78 419

The annexed notes 1 to 23 form an integral part of these financial statements.

MUNEER R. BHIMJEE
DirectorHASANALI ABDULLAH
DirectorTAHER G. SACHAK
Managing Director &
Chief ExecutiveSAIFUDDIN N. ZOOMKAWALA
Chairman