

## Statement of Cash Flows Financial Year Ended 31 December 2003

Rupees '000

	Statutory Funds					Aggregate 2003	Aggregate 2002
	Shareholders Fund	Investment Linked Business	Conventional Business	Pension Business	Accident & Health Business		
<b>Operating cash flows</b>							
<b>a) Underwriting activities</b>							
Premiums received	0	1 557 865	383 798	4 761	6 213	1 952 637	1 106 536
Reinsurance premiums paid	0	(21 874)	(56 464)	15	303	(78 020)	(68 989)
Claims paid	0	(29 834)	(270 253)	-	(627)	(300 714)	(205 186)
Surrenders paid	0	(136 654)	-	-	-	(136 654)	(42 536)
Commissions paid	0	(208 666)	(12 690)	(1 184)	(588)	(223 128)	(160 723)
<b>Net cash flow from underwriting activities</b>	0	1 160 837	44 391	3 592	5 301	1 214 121	629 102
<b>b) Other operating activities</b>							
Income tax paid	(22 139)	-	-	-	-	(22 139)	(6 894)
General management expenses paid	(1 515)	(172 822)	(32 954)	(964)	(1 822)	(210 077)	(167 511)
Other operating payments	(50 794)	26 003	17 855	807	421	(5 708)	(6 308)
Other operating receipts	25 074	35 607	24	1	2	60 708	31 032
Loans advanced	(2 652)	-	-	-	-	(2 652)	(2 037)
Loan repayments received	1 873	-	-	-	-	1 873	1 769
Other payments on operating assets	28 278	(20 122)	(9 508)	292	(235)	(1 295)	(5 560)
<b>Net cash flow from other operating activities</b>	(21 875)	(131 334)	(24 583)	136	(1 634)	(179 290)	(155 509)
<b>Total cash flow from all operating activities</b>	(21 875)	1 029 503	19 808	3 728	3 667	1 034 831	473 593
<b>Investment activities</b>							
Profit/ return received	8 164	102 655	18 625	33	700	130 177	85 657
Dividends received	4 544	51 802	-	92	-	56 438	16 834
Payments for investments	(75 406)	(986 398)	(14 732)	(2 574)	(1 999)	(1 081 109)	(645 790)
Proceeds from disposal of investments	936	37 925	-	-	-	38 861	129 641
Fixed capital expenditure	(10 034)	-	-	-	-	(10 034)	(13 166)
Proceeds from disposal of fixed assets	1 393	-	-	-	-	1 393	930
<b>Total cash flow from investing activities</b>	(70 403)	(794 016)	3 893	(2 449)	(1 299)	(864 274)	(425 894)
<b>Financing activities</b>							
Surplus appropriated to Shareholders' Fund	112 216	(70 183)	(37 842)	(808)	(3 383)	-	-
Dividends paid	(15 000)	-	-	-	-	(15 000)	-
<b>Total cash flow from financing activities</b>	97 216	(70 183)	(37 842)	(808)	(3 383)	(15 000)	-
<b>Net cash inflow/outflow from all activities</b>	4 938	165 304	(14 141)	471	(1 015)	155 557	47 699
Cash at the beginning of the year	-	120 459	40,051	-	1 903	162 413	114 714
<b>Cash at the end of the year</b>	4 938	285 763	25 910	471	888	317 970	162 413
<b>Reconciliation to profit and loss account</b>							
Operating cash flows						1 034 831	473 593
Depreciation expense						(8 755)	(8 745)
Profit on disposal of fixed assets						457	165
Write back of provision for depreciation on investments						7,487	13 264
Loss on sale of investments						(523)	(744)
Deferred acquisition costs						-	35 801
Increase/(decrease) in assets other than cash						1 109 937	103,115
(Increase)/decrease in liabilities other than running finance						(2 061 402)	(591 679)
<b>Profit after tax</b>						82 032	24 770
<b>Definition of cash</b>							
Cash for the purposes of the statement of cash flows consists of:							
Stamps in hand							
Bank balances							
Short Term Deposits							

MUNEER R. BHIMJEE  
Director

JAHANGIR SIDDIQUI  
Director

TAHER G. SACHAK  
Managing Director &  
Chief Executive

SAIFUDDIN N. ZOOMKAWALA  
Chairman