

First Life Insurance Company Limited 1998

Consolidated Statement of Cash Flows

Year ended 31 December 1998

	1998 \$'000	1997 \$'000
Cash Flows from Operating Activities		
Net profit	169,449	161,776
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation	15,846	15,776
Deferred expenses amortised	5,857	2,725
Gain on sale of fixed assets	(326)	(798)
(Gain)/loss on sale of investments	(549)	404
Group share of profit retained in associated companies	(495)	(7,874)
Increase in reserve for future benefits	134,262	83,733
(Decrease)/Increase in policy dividends on deposit	(3,165)	2,754
Transfer from investment reserve	(67,668)	(98,018)
Provision for loan losses	10,063	6,229
Change in other assets and liabilities excluding cash and deferred expenses	<u>8,156</u>	<u>(27,611)</u>
Net cash provided by operating activities	<u>271,430</u>	<u>139,096</u>

Cash Flows From Investing Activities		
Carib Investment Fund	671	(869)
Proceeds from sale of fixed assets	836	2,660
Purchase of fixed assets	(20,090)	(22,072)
Investments	(282,059)	(225,924)
Proceeds from sale of investments	6,587	20,453
Loans (advanced to)/repaid by associated companies	(114)	4,628
Deferred expenses	(11,265)	(5,309)
Net cash used in investing activities	<u>(305,434)</u>	<u>(226,433)</u>
Cash Flows From Financing Activities		
Holding company	(8,753)	(9,871)
Loans received	15,328	23,351
Loans repaid	(25,909)	(5,914)
Capital distribution paid	(15,000)	(9,990)
Net cash (used in)/provided by financing activities	<u>(34,334)</u>	<u>(2,424)</u>
Decrease in net cash and cash equivalents	(68,338)	(89,761)
Net cash and cash equivalents at beginning of year	174,512	264,273
NET CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>106,174</u>	<u>174,512</u>
Represented by:		
Assets held under repurchase agreements	30,636	82,944
Commercial paper	-	10,000
Deposits	2,835	3,487
Cash at bank and in hand	92,001	86,842
Bank overdrafts	(19,298)	(8,761)
	<u>106,174</u>	<u>174,512</u>
