

# HARDWARE & LUMBER LTD

## Group Statement of Cash Flows

Year ended 31 December 2002

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	2002 \$'000	2001 \$'000
<b>CASH RESOURCES WERE PROVIDED BY/(USED IN):</b>		
<b>Operating Activities</b>		
Net profit	48,085	16,352
Items not affecting cash resources:		
Depreciation	19,620	18,909
Deferred expenditure written off	-	360
Profit on sale of fixed assets	(302)	(1,013)
	<u>67,403</u>	<u>34,608</u>
Changes in non-cash working capital components:		
Inventories	(79,637)	29,189
Trade receivables	(33,486)	30,981
Other receivables and prepayments	2,092	(5,897)
Payables and accruals	43,925	(9,744)
Dividend proposed	(3,000)	(1,200)
Taxation	4,284	(13,309)
	<u>(65,822)</u>	<u>30,020</u>
Funds provided by operating activities	<u>1,581</u>	<u>64,628</u>
<b>Financing Activities</b>		
Holding company and fellow subsidiaries	(372)	(554)
Net obligations under finance leases	49	(363)
Long term loans	(18,922)	34,620

Dividend	<u>(9,000)</u>	<u>(6,000)</u>
Funds (used in)/provided by financing activities	<u>(28,245)</u>	<u>27,703</u>
<b>Investing Activities</b>		
Long term receivables	92	-
Proceeds from sale of fixed assets	508	1,249
Additions to fixed assets	<u>(4,716)</u>	<u>(10,959)</u>
Funds used in investing activities	<u>(4,116)</u>	<u>(9,710)</u>
(Decrease)/increase in net cash balances	<u>(30,780)</u>	<u>82,621</u>
Net cash balances at beginning of year	<u>(17,642)</u>	<u>(100,263)</u>
<b>NET CASH BALANCES AT END OF YEAR</b>	<u>(48,422)</u>	<u>(17,642)</u>
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<b>Represented by:</b>		
Bank deposits	1,325	8,190
Cash at bank and in hand	15,761	6,088
Bank loans and overdrafts	<u>(65,508)</u>	<u>(31,920)</u>
	<u>(48,422)</u>	<u>(17,642)</u>
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