Galfar Engineering & Contracting SAOG & Subsidiaries

Consolidated Statement of Cash Flows

For the year ended 31st December, 2013

Amount in RO '000s

	Parent Company		Consolidated	
	Year 2013	Year 2012	**Year 2013**	Year 2012
Operating Activities				
Profit before taxation	**7,910**	10,967	**9,840**	11,389
Adjustments for:				
Finance cost	**9,078**	7,116	**9,578**	7,829
Depreciation on property, plant and equipment	**22,449**	22,106	**23,881**	22,716
Amortisation of intangible assets	**405**	108	**406**	108
Employees' end of service benefits	**2,619**	2,106	**2,724**	2,167
Share of loss of associates	**-**	-	**1,618**	1,436
Gain on disposal of plant and equipment	**(437)**	(1,840)	**(453)**	(1,888)
Operating results before payment of end of service benefits and working capital changes				
Payment of end of service benefits	**(358)**	(902)	**(445)**	(938)
Working capital changes:				
Inventories	**(2,976)**	(3,744)	**(3,660)**	(3,788)
Trade and other receivables	**(19,005)**	(28,390)	**(20,174)**	(28,575)
Trade and other payables	**3,846**	309	**4,565**	5,000
Retention receivables	**(9,997)**	(5,499)	**(9,997)**	(5,499)
Advance payables	**(23,378)**	9,577	**(23,378)**	9,577
Income tax paid	**(1,545)**	(1,165)	**(3,514)**	(2,292)
Net cash (used in) /generated from operating activities	**(11,389)**	10,749	**(9,009)**	17,242
Investing Activities				
Purchases of property, plant and equipment	**(28,917)**	(25,712)	**(31,369)**	(30,126)
Purchases of intangible assets	**(135)**	(1,522)	**(147)**	(1,528)
Disposal of property, plant and equipment	**2,251**	7,687	**2,604**	8,014
Investment in associates and subsidiaries	**(822)**	(113)	**986**	(2,510)
Bank deposits	**1,080**	(11,621)	**1,083**	(11,624)
Interest income	**307**	68	**319**	83
Net cash used in investing activities	**(26,236)**	(31,213)	**(26,524)**	(37,691)
Financing Activities				
Share capital raised	**13,196**	-	**13,196**	-
Bank borrowings	**29,619**	12,171	**28,345**	14,679
Term loans and finance lease	**12,653**	9,422	**12,538**	8,951
Short term loans	**(250)**	9,800	**(250)**	9,800
Interest expenses	**(9,385)**	(7,184)	**(9,897)**	(7,912)
Dividend paid	**(5,775)**	(3,960)	**(5,775)**	(3,960)
Net cash generated from financing activities	**40,058**	20,249	**38,157**	21,558
Net increase/(decrease) in cash and bank balances	**2,433**	(215)	**2,624**	1,109
Cash and bank balances at beginning of the year	**1,736**	1,951	**3,468**	2,359
Cash and bank balances at end of the year	**4,169**	1,736	**6,092**	3,468

The attached notes 1 to 39 form part of these consolidated financial statements.