Galfar Engineering & Contracting SAOG and its subsidiaries

Statement of cash flows

For the year ended 31 December 2020

Amount in RO '000s

	Notes	Parent Company 2020	Parent Company 2019	Consolidated 2020	Consolidated 2019
Operating activities					
Loss before tax from operations		**(26,111)**	(21,366)	**(28,180)**	(21,414)
Adjustments for:					
Depreciation on property, plant and equipment	3	**11,524**	13,039	**12,903**	14,487
Amortisation of intangible assets	4	**77**	78	**87**	86
Depreciation on right of use assets	5	**824**	579	**943**	684
Finance costs, net	33	**4,987**	6,670	**5,173**	6,846
Share of profit from associates	7	**-**	-	**(174)**	(167)
Gain on disposal of plant and equipment		**(465)**	(1,608)	**(526)**	(1,636)
Impairment loss for investment in subsidiaries & associates	6	**-**	149	**-**	-
Provision for employees' end of service benefits	24	**2,033**	1,890	**2,089**	1,971
Working capital movements:					
Inventories		**(1,315)**	63	**(1,705)**	(569)
Contract, trade and other receivables		**48,068**	60,465	**51,742**	62,834
Trade payables, other payables and provisions		**4,676**	(17,516)	**3,401**	(19,234)
Non-current operating assets/liabilities changes:					
Retention receivables		**(3,018)**	5,931	**(3,018)**	5,931
Advance payable		**(1,881)**	3,441	**(1,881)**	3,441
Employees' end of service benefits paid		**(3,911)**	(1,683)	**(3,960)**	(1,700)
Income tax paid		**(62)**	(898)	**(128)**	(1,066)
Net cash generated from operating activities		**35,426**	49,234	**36,766**	50,494
Investing activities					
Purchase of property, plant and equipment	3	**(1,090)**	(1,793)	**(1,844)**	(2,679)
Disposal of property, plant and equipment		**487**	1,738	**577**	1,964
Purchase of intangible assets	4	**(134)**	(181)	**(165)**	(189)
Investment (in)/disposal of associates and subsidiaries		**-**	1,720	**(18)**	1,732
Bank deposits		**(459)**	1,350	**(546)**	1,351
Interest income		**-**	278	**-**	278
Net cash (used in)/generated from investing activities		**(1,196)**	3,112	**(1,996)**	2,457
Financing activities					
Repayment of term loans		**(14,764)**	(30,924)	**(14,804)**	(31,927)
Proceeds from term loans		**9,210**	1,000	**9,210**	1,304
Repayment of short term loans		**(43,454)**	(56,700)	**(43,454)**	(56,700)
Proceeds from short term loans		**44,300**	54,500	**44,300**	54,500
Net movement in bank borrowings		**(21,959)**	(8,377)	**(21,959)**	(8,377)
Lease payaments		**(856)**	(693)	**(988)**	(823)
Interest paid		**(4,987)**	(6,948)	**(5,173)**	(7,124)
Net cash used in financing activities		**(32,510)**	(48,142)	**(32,868)**	(49,147)
Net increase in cash and cash equivalents		**1,720**	4,204	**1,902**	3,804
Cash and cash equivalents at the beginning of the year		**(5)**	(4,209)	**1,646**	(2,158)
Cash and cash equivalents at the end of the year	13	**1,715**	(5)	**3,548**	1,646

The accompanying notes 1 to 41 forms an integral part of these financial statements.

The report of the Auditor is set forth on page 1.