

# Statement of Cash Flows

for the year ended December 31, 2005

	2005 QR	2004 QR
<b>Cash Flows from Operating Activities</b>		
Policyholders' surplus from insurance operations for the year	49,709,422	13,387,693
Net shareholders' income for the year	<u>123,292,971</u>	<u>27,090,511</u>
<b>Operating Profit Before Adjustments</b>	<b>173,002,393</b>	<b>40,478,204</b>
Adjustments for :		
Depreciation of property and equipment	806,177	791,979
Depreciation of investment properties	2,171,098	1,182,235
Loss on disposal of property and equipment	2,343	4,635
Gain on disposal of properties under construction	(949,620)	--
Gain on disposal of investment properties	(18,148,171)	(2,985,759)
Provision for doubtful contributions receivable	--	568,572
	<u>156,884,220</u>	<u>40,039,866</u>
(Increase) / Decrease in due from reinsurers	(1,289,340)	380,013
(Increase) / Decrease in prepayments and other assets	(9,379,355)	1,673,103
(Increase) / Decrease in contributions receivable	(3,499,314)	776,633
Increase / (Decrease) in due to reinsurers	575,702	(943,248)
(Decrease) in payables and other liabilities	(655,148)	(2,368,004)
(Increase) in re-insurance contract assets	(4,104,900)	(4,853,060)
(Decrease) / Increase in Sanabel Takaful program contributions	(12,130,436)	6,213,372
Increase in insurance contract liabilities	19,008,424	9,544,350
<b>Net Cash flow (Used In) / from Operating Activities</b>	<b>145,409,853</b>	<b>50,463,025</b>
<b>Cash Flows from Investing activities</b>		
(Increase) in bank deposits – (maturing over 90 days)	--	(8,972,819)
Increase / (Decrease) in accrued investment income	316,946	(141,242)
Increase / (Decrease) in Sanabel Takaful program Investment	12,130,436	(6,213,372)
Purchase of property and equipment	(85,047)	(232,067)
Purchase of investment properties	(32,023,915)	(35,114,535)
Proceeds on disposal of property and equipment	--	34,000
Proceeds on disposal of investment properties	28,204,868	10,950,000
Proceeds from disposal of properties under construction	6,200,000	--
(Increase) in properties under construction	(23,474,500)	(10,004,170)
Net cash movement in investments	(114,498,367)	(5,101,579)
<b>Net Cash (Used in) Investing Activities</b>	<b>(123,229,579)</b>	<b>(54,795,784)</b>
<b>Cash Flows from Financing activities</b>		
Dividend paid	--	(11,390)
Surplus distributed to policyholders	(2,011,096)	(1,498,989)
<b>Net Cash (Used in) Financing Activities</b>	<b>(2,011,096)</b>	<b>(1,510,379)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>20,169,178</b>	<b>(5,843,138)</b>
<b>Cash and Cash Equivalents at Beginning of the Year</b>	<b>6,714,585</b>	<b>12,557,723</b>
<b>Cash and cash equivalents at end of the year (Note 22)</b>	<b>26,883,763</b>	<b>6,714,585</b>