

## STATEMENT OF CASH FLOWS

For the year ended 31 December 2017

	2017	2016
	RO	RO
<b>Cash flows from operating activities</b>		
Profit before tax	4,046,039	109,722
<b>Adjustments for:</b>		
Depreciation and amortisation	1,156,129	1,089,597
General and specific provision	1,926,057	1,415,471
Other provision	16,844	8,892
<b>Investment risk reserve</b>	120,584	118,818
Profit equalisation reserve	(779,239)	51,354
<b>Cash flows from operating activities before changes in operating assets and liabilities</b>	<b>6,486,414</b>	<b>2,793,854</b>
<b>Changes in operating assets and liabilities:</b>		
Increase in sales receivables and other receivables	(62,014,903)	(24,722,377)
Increase in Ijara Muntahia Bittamleek assets	(48,722,680)	(79,248,664)
Increase in Musharaka financing	(25,179,015)	(807,517)
Increase in Other assets	(655,564)	(1,958,876)
Increase in Customers' accounts	(807,595)	(1,870,845)
Increase in Other liabilities	6,967,489	339,623
<b>Net cash used in operating activities</b>	<b>(123,925,854)</b>	<b>(105,474,802)</b>
<b>Investing activities</b>		
Increase in Investment in financial assets at fair value through equity	(18,492,636)	(3,996,383)
Increase in Wakala Bil Istethmar	(28,747,463)	(25,457,865)
Addition to intangibles assets (net)	(354,872)	(471,375)
Purchase of property and equipment (net)	(215,576)	(49,558)
Disposal of property and equipment	9,414	-
<b>Net cash used in investing activities</b>	<b>(47,801,133)</b>	<b>(29,975,181)</b>
<b>Financing activities</b>		
Increase in unrestricted investment accountholders	69,792,465	84,386,930
Increase in customers' Wakala	105,587,742	80,121,624
Increase in capital deposit with CBO	(153,906)	(92,989)
Decreased in Inter-bank Wakala	(13,475,000)	-
<b>Net cash generated from financing activities</b>	<b>161,751,301</b>	<b>164,415,565</b>
(Decrease)/increase in cash and cash equivalents	(9,975,686)	28,965,582
Cash and cash equivalents at the beginning of the year	52,813,169	23,847,587
<b>Cash and cash equivalents at the end of the year</b>	<b>42,837,483</b>	<b>52,813,169</b>
Cash and balances with CBO	42,813,968	16,599,658
Capital deposit with CBO	(500,001)	(346,095)
Due from banks and financial institutions	3,464,495	4,919,573
Inter-bank Wakala investment	16,397,550	41,397,905
Inter-bank Wakala less than three months	(19,338,529)	(9,757,872)
<b>Cash and cash equivalent for the purpose of cash flow statement</b>	<b>42,837,483</b>	<b>52,813,169</b>

The attached notes 1 to 42 form part of these financial statements.