

MUSCAT INSURANCE COMPANY SAOG (FORMERLY MUSCAT NATIONAL HOLDING COMPANY SAOG)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 RO	2016 RO
Operating activities			
Profit before taxation		1,483,019	1,509,046
Adjustments for:			
Depreciation	8	153,482	160,919
Unrealised loss on held for trading investments – net	7	-	98,674
Realised gain on disposal of held for trading investments – net	7	(150,336)	-
Unrealised loss / (gain) on investments carried through profit or loss	7	14,509	(483,035)
Net realised gain on disposal of investments carried at fair value through profit or loss	7	-	(7,667)
Amortisation cost on held to maturity instruments	7	19,376	43,668
Charge for employees' end of service benefits	22(a)	30,658	50,876
Impairment loss on available-for-sale investments	7	86,970	-
Provision for impairment of premium and insurance receivables	8	1,774	-
Interest income	7	(743,453)	(602,606)
Dividend income	7	(205,308)	(183,712)
Rental income	7	(94,524)	(120,248)
Finance cost		59,982	33,603
Profit on disposal of property and equipment	9	(3,069)	(13,765)
Profit before working capital changes and payment of income tax and employees' end of service benefits		653,080	485,753
Working capital changes:			
Premiums and insurance receivable		(186,958)	(348,771)
Other receivables and prepayments		(740,699)	(105,959)
Reinsurance contracts		(1,795,193)	1,145,008
Other payable and accruals		241,520	1,325,182
Reinsurance payable		1,042,365	673,498
Insurance contracts		2,621,349	(251,507)
Cash generated from operations		1,835,464	2,923,204
Income tax paid	10(c)	(209,081)	(157,574)
Employees end of service benefits paid	22(a)	(659)	(11,506)
Net cash generated from operating activities		1,625,724	2,754,124
Investing activities			
Purchase of investment property	20	(270,100)	-
Purchase of property and equipment	21	(154,769)	(195,082)
Placement of deposits		(6,850,000)	(8,400,000)
Maturity of deposits		1,550,000	400,000
Purchase of investments carried at fair value through profit and loss	14(b)	-	(219,569)
Proceeds from maturity of investments held to maturity		2,000,000	3,919,843
Proceeds from disposal of held for trading investments		923,807	6,050
Proceeds from disposal of investments carried at fair value through profit or loss	14(b)	337	20,115
Proceeds from disposal of property and equipment		7,393	24,755
Interest received		598,435	527,020
Dividends received	7	205,308	183,712
Foreign exchange gain		-	(2,906)
Rental income	7	94,524	120,248
Net cash used in investing activities		(1,895,065)	(3,615,814)
Financing activities			
Finance cost paid		(59,982)	(33,603)
Cash dividend paid	25(b)	(500,000)	(250,000)
Net cash used in financing activities		(559,982)	(283,603)
Net change in cash and cash equivalents		(829,323)	(1,145,293)
Cash and cash equivalents at the beginning of the year		3,552,857	4,698,150
Cash and cash equivalents at the end of the year	12	2,723,534	3,552,857

The notes and other explanatory information on pages 10 to 20 form an integral part of these financial statements.

Independent auditor's report – pages 1 – 5.

