

STATEMENT OF CASH FLOWS

for the year ended 31 December 2006

	Note	2006 Bahraini Dinars	2005 Bahraini Dinars
Operating activities			
Net profit for the year		2,554,770	2,320,243
Adjustments for:			
Depreciation		29,651	38,765
Directors remuneration paid		(193,822)	(44,000)
Dividend income	17	(430,137)	(344,947)
Interest income	17	(31,480)	(51,892)
Interest Expense	17	11,041	5,238
Realised gains on sale of available-for-sale investments	17	(3,508,312)	(2,182,631)
Profit on sale of property and equipment		-	(3,516)
Changes in operating assets and liabilities:			
Receivables		(1,402,308)	(381,991)
Outstanding claims recoverable from re-insurers		(32,137)	(280,454)
Insurance funds		1,198,355	948,999
Payables and other liabilities		352,692	313,214
Provision for employees' leaving indemnity, net		22,630	3,047
Impairment loss on available-for-sale investments	17	1,884,255	493,155
Net cash provided by operating activities		455,198	833,230
Investing activities			
Dividend income received		430,137	344,947
Interest income received		31,480	51,892
Interest expense paid		(11,041)	(5,238)
Purchase of available-for-sale investments	4	(7,402,322)	(11,266,379)
Proceeds from sale of available-for-sale investments	4	7,265,441	7,557,524
Purchase of property and equipment		(51,149)	(20,275)
Proceeds from sale of property and equipment		-	3,520
Net cash provided by/(used in) investing activities		262,546	(3,334,009)
Financing activities			
Dividends paid		(575,925)	(347,552)
Net cash used in financing activities		(575,925)	(347,552)
Net increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents, beginning of the year		1,346,458	4,194,789
Cash and cash equivalents, at end of the year	2	1,488,277	1,346,458

The accounting policies on pages 16 to 18 and the notes on pages 19 to 31 form an integral part of these financial statements.