

Statement of Cash Flows

for the year ended 31 December 2007

	Notes	2007 Bahraini Dinars	2006 Bahraini Dinars
Operating activities			
Net profit for the year		3,301,970	2,554,770
Adjustments for:			
Depreciation		42,082	29,651
Directors remuneration paid		(214,000)	(193,822)
Dividend income	20	(452,545)	(430,137)
Interest income	20	(33,342)	(31,480)
Interest expense	21	8,852	15,877
Realised gains on sale of available-for-sale investments	20	(2,834,394)	(3,508,312)
Profit on sale of property and equipment	21	(11,664)	-
Changes in operating assets and liabilities:			
Receivables		201,666	(1,402,308)
Outstanding claims recoverable from re-insurers		(763,263)	(32,137)
Insurance funds		1,267,414	1,198,355
Payables and other liabilities		1,099,530	352,692
Provision for employees' leaving indemnity, net		9,516	22,630
Impairment loss on available-for-sale investments	20	-	1,884,255
Net cash provided by operating activities		1,621,822	460,034
Investing activities			
Dividend income received		452,545	430,137
Interest income received	20	33,342	31,480
Interest expense paid		(8,852)	(15,877)
Purchase of available-for-sale investments	4	(4,160,605)	(7,402,322)
Proceeds from sale of available-for-sale investments	4	6,155,767	7,265,441
Purchase of property and equipment		(68,933)	(51,149)
Proceeds from sale of property and equipment		11,664	-
Net cash provided by investing activities		2,414,928	257,710
Financing activities			
Dividends paid		(630,000)	(575,925)
Net cash used in financing activities		(630,000)	(575,925)
Net increase in cash and cash equivalents		3,406,750	141,819
Cash and cash equivalents, beginning of the year		1,488,277	1,346,458
Cash and cash equivalents, at end of the year	2	4,895,027	1,488,277

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