

Statement of cash flows for the year ended 31 December 2010

	Notes	2010 RO	2009 RO
Cash flows from operating activities			
Profit before income tax		7,818,616	6,098,316
Adjustments for:			
Share of loss in joint venture	6	2,434	-
Depreciation	5	2,477,096	2,453,297
Loss on sale of property, plant and equipment		133,972	18,630
Provision for end of service benefits	12	42,005	22,238
Allowance for slow moving and obsolete inventory		(110,000)	155,000
Net finance income / (costs)	18	(98,652)	83,903
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Operating profit before working capital changes		10,265,471	8,831,384
Changes in working capital:			
Inventories		2,446,611	(1,152,017)
Trade and other receivables		(3,812,449)	(1,127,526)
Allowance for impaired debts	26	(88,763)	23,071
Trade and other payables		7,259,216	1,322,431
Provisions		31,621	(16,142)
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Cash generated from operations		16,101,707	7,881,201
Interest paid	18	(69,918)	(122,548)
End of service benefits paid	12	(32,553)	(54,812)
Income tax paid		(741,916)	(785,085)
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Net cash from operating activities		15,257,320	6,918,756
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Cash flows from investing activities			
Interest received	18	168,570	38,645
Investment in joint venture		(75,000)	-
Proceeds from sale of property, plant and equipment		21,974	263,007
Acquisition of property, plant and equipment	5	(4,351,414)	(3,251,592)
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Net cash used in investing activities		(4,235,870)	(2,949,940)
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Cash flows from financing activities			
Proceeds from bank borrowings		-	5,000,000
Dividends paid		(2,257,500)	(2,257,500)
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Net cash (used in) / from financing activities		(2,257,500)	2,742,500
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Net increase in cash and cash equivalents		8,763,950	6,711,316
Cash and cash equivalents at the beginning of the year		7,993,326	1,282,010
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Cash and cash equivalents at the end of the year	9	16,757,276	7,993,326
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The accompanying notes form an integral part of these financial statements.