

**STATEMENT OF CASH FLOWS**

YEAR ENDED 31 DECEMBER 2005

	<u>2005</u>	<u>2004</u>
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net surplus for the year	58,809,646	58,232,182
Interest income	(192,187,775)	(158,827,881)
Interest received	188,882,099	163,810,461
Interest expense	46,896,862	34,904,041
Interest paid	( 43,749,703)	( 35,577,848)
Depreciation	3,473,708	3,090,423
Loss on disposal of fixed assets	231,689	55,576
Provision for loan impairment	2,074,255	1,216,020
Donations and scholarships	<u>( 5,459,272)</u>	<u>( 3,135,499)</u>
	58,971,509	63,767,475
Changes in operating assets and liabilities:		
Loans to members	(290,017,639)	(137,238,858)
Other assets	316,227	( 1,309,900)
Retirement benefit asset	( 718,000)	( 749,000)
Increase in deposits from members	235,004,254	67,897,106
Increase in other liabilities	<u>6,050,524</u>	<u>9,903,068</u>
Net cash provided by operating activities	<u>9,606,875</u>	<u>2,269,891</u>
CASH FLOWS FROM INVESTING ACTIVITIES -		
Purchase of property and equipment	( 20,671,817)	( 3,060,208)
Financial investments	( 564,249)	( 4,826,082)
Reverse repurchase agreements	<u>( 220,422)</u>	<u>( 9,980,761)</u>
Net cash used in investing activities	<u>( 21,456,488)</u>	<u>( 17,867,051)</u>
CASH FLOWS FROM FINANCING ACTIVITIES -		
Members' share capital	32,874,523	27,992,462
External credits	<u>( 19,642,873)</u>	<u>26,860,314</u>
Net cash provided by financing activities	<u>13,231,650</u>	<u>54,852,776</u>
INCREASE IN CASH AND CASH EQUIVALENTS	1,382,037	39,255,616
Cash and cash equivalents at beginning of year	<u>142,450,501</u>	<u>103,194,885</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>143,832,538</u>	<u>142,450,501</u>
Represented by:		
Cash in hand and at bank	11,924,737	8,315,621
Deposits	138,185,522	138,526,580
Bank overdrafts (note 16)	<u>( 6,277,721)</u>	<u>( 4,391,700)</u>
	<u>143,832,538</u>	<u>142,450,501</u>