

JAMAICA POLICE CO-OPERATIVE CREDIT UNION LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2004

| | <u>2004</u> | <u>2003</u> |
|-------------------------------------------------|---------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net surplus for the year | 58,232,182 | 53,411,894 |
| Interest income | (158,827,881) | (141,575,421) |
| Interest received | 163,810,461 | 135,922,773 |
| Interest expense | 34,904,041 | 32,799,153 |
| Interest paid | (35,577,848) | (31,196,913) |
| Depreciation | 3,090,423 | 2,634,194 |
| Loss on disposal of fixed assets | 55,576 | - |
| Provision for loan impairment | 60,958 | (417,763) |
| Donations and scholarships | <u>(3,135,499)</u> | <u>(7,191,408)</u> |
| | 62,612,413 | 44,386,509 |
| Changes in operating assets and liabilities: | | |
| Loans to members | (136,083,796) | (120,235,913) |
| Other assets | (1,309,900) | 1,778,875 |
| Retirement benefit asset | (749,000) | (376,000) |
| Increase in deposits from members | 67,897,106 | 94,462,119 |
| Increase in other liabilities | <u>11,117,617</u> | <u>270,150</u> |
| Net cash provided by operating activities | <u>3,484,440</u> | <u>20,285,740</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property and equipment | (3,060,208) | (6,025,496) |
| Financial investments | (4,826,082) | (17,553,304) |
| Reverse repurchase agreements | <u>(9,980,761)</u> | <u>(32,911,573)</u> |
| Net cash flow used in investing activities | <u>(17,867,051)</u> | <u>(56,490,373)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES - | | |
| Members' share capital | 27,992,462 | 48,414,622 |
| Entrance fees | - | 3,202 |
| External credits | <u>28,386,224</u> | <u>(4,986,384)</u> |
| Net cash provided by financing activities | <u>56,378,686</u> | <u>43,431,440</u> |
| INCREASE IN CASH AND CASH EQUIVALENTS | 41,996,075 | 7,226,807 |
| Cash and cash equivalents at beginning of year | <u>103,194,885</u> | <u>95,968,078</u> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | <u>145,190,960</u> | <u>103,194,885</u> |
| Represented by: | | |
| Cash in hand and at bank | 8,315,621 | 5,964,378 |
| Deposits | <u>136,875,339</u> | <u>97,230,507</u> |
| | <u>145,190,960</u> | <u>103,194,885</u> |