

**MAJAN GLASS COMPANY SAOG**

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2019

	<u>Note</u>	<u>2019</u> <u>RO</u>	<u>2018</u> <u>RO</u>
<b>Cash flows from operating activities</b>			
Loss for the year before income tax		(714,682)	(2,611,556)
Adjustments for:			
Depreciation on property, plant and equipment	5	1,651,178	1,769,322
Amortization of intangible assets	6	6,221	6,016
Depreciation on right-of-use assets	7	101,491	-
Profit on disposal of property, plant and equipment		(1,148)	(1,100)
Finance costs		397,457	327,837
Allowance for slow moving inventory	9	(142,974)	-
Allowance for credit losses (net)	10	10,606	19,547
Accrual of employees' end of service benefits	16	44,006	40,027
<b>Cash flows from operations before working capital changes</b>		<u>1,352,155</u>	<u>(449,907)</u>
Decrease in inventory		184,094	1,390,055
(Increase) in trade, other receivables and prepayments		(116,176)	(882,617)
Net movement in related parties		186,568	
(Decrease)/increase in trade, other payables and accruals		<u>(1,125,831)</u>	<u>464,376</u>
<b>Cash generated from operations</b>		<u>480,810</u>	<u>521,907</u>
Employees' end of service benefits paid	16	(28,559)	(39,124)
<b>Net cash from operating activities</b>		<u>452,251</u>	<u>482,783</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	5	(600,340)	(530,858)
Addition to intangibles	6	-	(19,111)
Proceeds from disposal of property, plant and equipment		1,148	1,100
<b>Net cash used in investing activities</b>		<u>(599,192)</u>	<u>(548,869)</u>
<b>Cash flows from financing activities</b>			
Net movement in term Loans		1,323,322	2,956,729
Lease liabilities (net)	17	(111,273)	
Finance charges paid	28	(397,457)	(327,837)
<b>Net cash used in financing activities</b>		<u>814,592</u>	<u>2,628,892</u>
<b>Net change in cash and cash equivalents</b>		<u>667,651</u>	<u>2,562,806</u>
Cash and cash equivalents at the beginning of the year		<u>(964,513)</u>	<u>(3,527,319)</u>
<b>Cash and cash equivalents at the end of the year</b>		<u>(296,862)</u>	<u>(964,513)</u>
<b>Represented by:</b>			
Cash and bank balances	13	683,391	3,897
Bank overdraft	19	(980,253)	(968,410)
		<u>(296,862)</u>	<u>(964,513)</u>

The notes on pages 10 to 39 form part of these financial statements.  
Auditor's report: pages 1-5