

SAPPHIRE FINISHING MILLS LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2012

	2012	2011
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year - before taxation	565,833,673	281,683,360
Adjustments for non-cash charges and other items:		
Depreciation	239,174,832	188,435,426
Amortization of intangible assets	853,373	223,800
Staff retirement benefits - gratuity	7,093,649	3,488,078
Provision for workers' (profit) participation / welfare fund	41,936,116	23,938,762
Loss on disposal of tangible fixed assets	463,054	9,043,159
Finance cost	317,522,112	265,889,921
Exchange fluctuation (gain) / loss	(250,067)	70,212
Provision for doubtful debts	0	18,927,451
Profit before working capital changes	1,172,626,742	791,700,169
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	(99,237,522)	(55,746,708)
Stock-in-trade	564,290,680	(1,107,933,063)
Trade debts	(51,713,370)	(26,074,666)
Loans and advances	(25,282,839)	9,000,556
Deposits, other receivables, sales tax and excise duty	(66,086,879)	(18,321,739)
Increase in trade and other payables	177,847,240	269,504,484
	499,817,310	(929,571,136)
CASH GENERATED / (USED IN) OPERATING ACTIVITIES	1,672,444,052	(137,870,967)
Gratuity paid	(2,438,240)	(1,981,850)
Finance cost paid	(324,280,041)	(235,249,360)
Income taxes paid	(123,594,457)	(123,655,937)
Workers' (profit) participation fund	(15,328,428)	(17,180,245)
Long term loans	(4,467,725)	(530,000)
Long term deposits	(312,120)	(747,000)
	(470,421,011)	(379,344,392)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES	1,202,023,041	(517,215,359)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(656,386,945)	(447,992,129)
Sale proceeds of tangible fixed assets	1,287,897	3,717,692
NET CASH USED IN INVESTING ACTIVITIES	(655,099,048)	(444,274,437)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans - obtained	252,352,000	123,830,000
- repaid	(78,819,070)	(101,245,481)
Short term borrowings - net	(587,502,398)	919,441,480
Dividend paid	(23,000,000)	-
Deposit for shares	(1,082,172)	-
NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES	(438,051,640)	942,025,999
Net increase / (decrease) in cash and cash equivalents	108,872,353	(19,463,797)
Cash and cash equivalents - at beginning of the year	13,024,822	32,488,619
Cash and cash equivalents - at end of the year	121,897,175	13,024,822

The annexed notes 1 to 39 form an integral part of these financial statements.

Chief Executive

Director