

**Saba & Co.****OMAN CHROMITE COMPANY SAOG  
MUSCAT - SULTANATE OF OMAN****Statement of Cash Flows  
for the year ended 31 December 2002  
(in Rials Omani)**

	<u>2002</u>	<u>2001</u>
<b>Cash flows from operating activities</b>		
Net profit for the year	78,939	47,885
Adjustments for:		
Depreciation	69,302	119,095
Amortisation	25,948	34,841
(Profit) on sale of property, plant and equipment	(2,717)	(3,680)
Loss on sale of investments	23,402	0
Decline in value of investments	0	100,834
<i>Changes in operating assets and liabilities:</i>		
(Increase)/ decrease in trade and other receivables	(18,937)	163
(Increase) in inventories	(254,739)	(278,449)
Increase in trade and other payables	58,539	9,144
Increase/ (decrease) in provision for staff indemnity	898	(651)
<b>Net cash (used in)/ from operating activities</b>	<u><b>(19,365)</b></u>	<u><b>29,182</b></u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(64,797)	(26,124)
Addition of intangible assets	(11,980)	0
Proceeds from sale of investments	43,264	0
Proceeds from sale of property, plant and equipment	2,717	3,680
<b>Net cash (used in) investing activities</b>	<u><b>(30,796)</b></u>	<u><b>(22,444)</b></u>
<b>Net (decrease)/ increase in cash</b>	<b>(50,161)</b>	<b>6,738</b>
<b>Cash and cash equivalents, beginning of the year</b>	<b>348,925</b>	<b>342,187</b>
<b>Cash and cash equivalents, end of the year</b>	<u><u><b>298,764</b></u></u>	<u><u><b>348,925</b></u></u>
<i>Comprising:</i>		
Cash in hand and at banks	20,813	48,925
Fixed deposit	300,000	300,000
Due to bank	(22,049)	0
	<u><u><b>298,764</b></u></u>	<u><u><b>348,925</b></u></u>

The accompanying notes form an integral part of these financial statements