

MAJAN GLASS COMPANY SAOG

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	<u>Note</u>	<u>2020</u> <u>RO</u>	<u>2019</u> <u>RO</u>
Cash flows from operating activities			
Loss for the year before income tax		(1,180,444)	(714,682)
Adjustments for:			
Depreciation on property, plant and equipment	5	1,389,740	1,651,178
Amortization of intangible assets	6	6,236	6,221
Depreciation on right-of-use assets	7	101,491	101,491
Abatement of lease liability		(29,239)	-
Profit on disposal of property, plant and equipment		-	(1,148)
Finance costs		427,084	397,457
Allowance for slow moving inventory	9	57,230	(142,974)
Allowance for credit losses (net)	10	(27,323)	10,606
Accrual of employees' end of service benefits	16	41,884	44,006
Cash flows from operations before working capital changes		<u>786,659</u>	<u>1,352,155</u>
Increase/(decrease) in inventories		(284,331)	184,094
Decrease/(increase) in accounts, other receivables and prepayments		437,076	(116,176)
Net movement in related parties		-	186,568
Increase/(decrease) in trade, other payables and accruals		944,598	(1,125,831)
Cash generated from operations		<u>1,884,002</u>	<u>480,810</u>
Employees' end of service benefits paid	16	(27,250)	(28,559)
Net cash from operating activities		<u>1,856,752</u>	<u>452,251</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(670,313)	(600,340)
Proceeds from disposal of property, plant and equipment		-	1,148
Net cash used in investing activities		<u>(670,313)</u>	<u>(599,192)</u>
Cash flows from financing activities			
Net movement in term loans		(901,518)	1,323,322
Lease liabilities (net)	17	(58,445)	(111,273)
Finance charges on lease liabilities		(29,270)	-
Finance charges paid	28	(397,814)	(397,457)
Net cash used in financing activities		<u>(1,387,047)</u>	<u>814,592</u>
Net change in cash and cash equivalents		<u>(200,608)</u>	<u>667,651</u>
Cash and cash equivalents at the beginning of the year		(296,862)	(964,513)
Cash and cash equivalents at the end of the year		<u>(497,470)</u>	<u>(296,862)</u>
Represented by:			
Cash and bank balances	13	463,185	683,391
Bank overdraft	19	(960,655)	(980,253)
		<u>(497,470)</u>	<u>(296,862)</u>

The notes on pages 10 to 37 form part of these financial statements.