

## Financial statements for the year ended 31 December 2021

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	<u>Note</u>	<u>2021</u> <u>RO</u>	<u>2020</u> <u>RO</u>
<b>Cash flows from operating activities</b>			
Loss for the year before income tax		(843,287)	(1,180,444)
Adjustments for:			
Depreciation on property, plant and equipment	5	1,289,290	1,389,740
Amortization of intangible assets	6	2,354	6,236
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		(35,222)	-
Finance costs		402,813	427,084
Allowance for slow moving inventory	9	37,576	57,230
Allowance for credit losses (net)	10	(972)	(27,323)
Accrual of employees' end of service benefits	16	34,411	41,884
<b>Cash flows from operations before working capital changes</b>		<u>988,454</u>	<u>786,659</u>
(Decrease)/increase in inventories		168,721	(284,331)
(Increase)/decrease in accounts, other receivables and prepayments		(1,701,155)	437,076
Increase in accounts, other payables and accruals		1,528,425	944,598
<b>Cash generated from operations</b>		<u>984,445</u>	<u>1,884,002</u>
Employees' end of service benefits paid	16	(66,220)	(27,250)
<b>Net cash from operating activities</b>		<u>918,225</u>	<u>1,856,752</u>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	5	(851,515)	(670,313)
Proceeds from disposal of property, plant and equipment		35,222	-
<b>Net cash used in investing activities</b>		<u>(816,293)</u>	<u>(670,313)</u>
<b>Cash flows from financing activities</b>			
Net movement in term loans and bank borrowings		(66,636)	(901,518)
Lease liabilities (net)	17	(103,177)	(58,445)
Finance charges on lease liabilities		(22,255)	(29,270)
Finance charges paid	28	(380,558)	(397,814)
<b>Net cash used in financing activities</b>		<u>(572,626)</u>	<u>(1,387,047)</u>
<b>Net change in cash and cash equivalents</b>		<u>(470,694)</u>	<u>(200,608)</u>
Cash and cash equivalents at the beginning of the year		(497,470)	(296,862)
<b>Cash and cash equivalents at the end of the year</b>		<u>(968,164)</u>	<u>(497,470)</u>
<b>Represented by:</b>			
Cash and bank balances	13	26,108	463,185
Bank overdraft	19	(994,272)	(960,655)
		<u>(968,164)</u>	<u>(497,470)</u>

The notes on pages 10 to 36 form part of these financial statements.