

# Statement of Cash Flows

For the year ended 31 December	Note	2019 LKR	2018 LKR
<b>Cash flows from/(used in) operating activities</b>			
Interest received		14,898,176,741	12,879,033,724
Fee and commission received		216,362,778	218,856,327
Receipts from other operating activities		(221,855,717)	65,627,056
Interest payment		(9,546,853,352)	(7,836,343,603)
Cash payment to employees		(2,134,949,329)	(1,953,287,233)
Payments to suppliers and other operating activities		(1,601,603,518)	(2,103,279,424)
Fee and commission expenses		(6,506,626)	(4,396,881)
VAT and NBT on financial services		(437,628,469)	(415,643,540)
<b>Operating profit before changes in operating assets</b>		<b>1,165,142,508</b>	<b>850,566,426</b>
<b>(Increase)/decrease in operating assets</b>			
Funds advanced to customers		(9,169,985,133)	(11,345,449,448)
Other short-term securities		(719,925,694)	590,167,755
<b>Increase/(decrease) in operating liabilities</b>			
Deposits from customers		5,121,426,361	7,570,087,169
<b>Net cash from operating activities before income tax</b>		<b>(3,603,341,958)</b>	<b>(2,334,628,098)</b>
Income tax paid		(316,666,487)	(162,478,859)
<b>Net cash from operating activities</b>		<b>(3,920,008,445)</b>	<b>(2,497,106,956)</b>
<b>Cash flows from/(used in) investing activities</b>			
Dividend received		240,800	476,587
(Increase)/decrease in dealing securities		(3,265,052,634)	4,607,874,303
(Increase)/decrease in treasury bonds and other investments		(2,932,143,523)	1,617,468,415
Proceeds from sale of property, plant and equipment		14,467,863	59,872,470
Purchase of property, plant and equipment	19	(171,644,938)	(216,934,545)
Purchase of intangible assets	22	(323,857,065)	-
<b>Net cash from/(used in) investing activities</b>		<b>(6,677,989,497)</b>	<b>6,068,757,231</b>
<b>Cash flows from/(used in) financing activities</b>			
Dividend paid		-	(136,947,168)
Repayment of long-term borrowing		(15,195,146,100)	(6,012,141,112)
Interest paid on subordinated debt		(283,958,008)	(137,219,807)
Increase/(decrease) in borrowing		20,375,878,347	12,755,127,856
Funds received/(utilised) during the period		-	(11,463,482)
<b>Net cash flow from/(used in) financing activities</b>		<b>4,896,774,239</b>	<b>6,457,356,287</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(5,701,223,703)</b>	<b>10,029,006,562</b>
<b>Cash and cash equivalents at the beginning of the year</b>	13.3	<b>16,615,902,384</b>	<b>6,586,895,822</b>
<b>Cash and cash equivalents at the end of the year</b>	13.3	<b>10,914,678,681</b>	<b>16,615,902,384</b>

The Accounting Policies and Notes on pages 140 through 190 form an integral part of the Financial Statements.