


Sui Southern Gas Company Limited

Cash Flow Statement

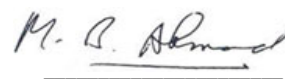
For the year ended 30 June 2006

	2006	2005
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,720,226	1,588,677
<i>Adjustments for non cash items:</i>		
Depreciation	2,226,382	2,155,453
Amortisation of Intangibles	43,358	30,461
Finance cost	1,390,460	563,017
Insurance claim Written off	-	11,600
Provision against doubtful debts	172,895	214,033
Provision for slow moving and obsolete stores and stock	7,314	4,313
Reversal of provision for compensated absences	(18,680)	7,173
Provision for post retirement medical and gas supply facilities	97,181	84,056
Provision for other retirement benefits	119,314	124,028
Amortisation of deferred credit to the profit and loss account	(184,504)	(150,862)
Dividend income	(5,826)	(5,325)
Income from remeasurement of value of investments	-	(2,751)
Profit on sale of investment	-	(456)
Return on bank deposits	(110,212)	(70,849)
Adjustment in fixed assets	(607)	-
Gain on disposal of fixed assets	(20,524)	(52,211)
	3,716,551	2,911,680
Net cash flows from operations	5,436,777	4,500,357
Service charges received from new consumers	638,670	125,605
Long term deposits received - net	282,732	196,949
Loans and advances recovered	9,507	20,092
Long term deposits	1,332	(386)
Changes in working capital		
- Stores, spares and loose tools	(131,140)	(135,078)
- Stock-in-trade	(57,861)	(28,875)
- Customers' installation work-in-progress	(60,713)	(28,485)
- Trade debts	(2,316,311)	(2,263,256)
- Trade deposits and prepayments	(24,231)	20,476
- Other receivables	(1,133,149)	(1,491,426)
- Trade and other payables	5,243,776	2,708,251
	1,520,371	(1,218,393)
Retirement benefits paid	(75,895)	(225,974)
Income tax paid	(555,558)	(28,404)
Finance cost paid	(1,001,707)	(629,680)
Net cash flows from operating activities	6,256,229	2,740,166
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(5,393,118)	(6,220,058)
Proceeds from sale of fixed assets	36,254	60,034
Investment in subsidiary company	-	(5,099)
Proceeds from sale of investment	-	52,000
Profit / interest on bank deposits	109,433	76,533
Dividend received	10,577	574
Net cash flow from investing activities	(5,236,854)	(6,036,016)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from local currency loans	3,000,000	4,000,000
Repayment of local currency loans	(250,000)	-
Repayment of redeemable capital	(749,415)	(749,395)
Consumer finance received	42,176	19,328
Repayment of consumer finance	(16,839)	(11,270)
Repayment of foreign currency loans	(445,711)	(912,002)
Repayment of liabilities against assets subject to finance lease	-	(43,664)
Dividend paid	(998,900)	(998,728)
Net cash flow from financing activities	581,311	1,304,269
Net increase/ (decrease) in cash and cash equivalents	1,600,686	(1,991,581)
Cash and cash equivalents at beginning of the year	1,049,203	3,040,784
Cash and cash equivalents at end of the year	2,649,889	1,049,203

The annexed notes 1 to 52 form an integral part of these financial statements.



Chairman



Managing Director