

RAYSUT CEMENT COMPANY SAOG AND ITS SUBSIDIARIES

PARENT COMPANY AND CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Parent 2020	2019	Consolidated 2020	2019
Cash flows from operating activities					
(Loss) / profit before taxation		(14,087,824)	807,352	(15,776,075)	2,882,258
Adjustments for:					
Depreciation on property, plant and equipment	9	3,649,614	3,886,628	6,696,193	6,482,998
Related party balance provision / write off	13	849,000	1,985,000	-	-
Depreciation of right-of-use assets	10	1,704,131	4,511,786	298,469	3,106,125
Derecognition of right-of-use assets and lease liabilities (net)	10	(310,133)	-	(310,134)	-
Allowance for expected credit losses	16 & 18	3,939,733	137,818	2,287,837	1,204,257
Impairment of limestone mines - reversal		-	-	-	(553,534)
Provision for impairment	9	-	-	2,517,410	-
Allowance for slow-moving inventories	15	167,481	70,027	226,341	11,031
End of service benefits charge for the year	28	58,024	91,719	149,593	160,834
Interest expense	37	2,693,450	2,474,811	3,476,015	3,060,277
Interest expense on lease liabilities	37	758,729	1,691,677	306,075	1,198,616
Interest income	37	(754)	(23,325)	(754)	(23,325)
Investment income	38	(51,608)	(2,184,273)	(51,608)	(199,273)
Amortization of Deferred expenses		28,345	18,900	-	-
Impairment / share of loss from an associate	11	-	113,343	6,587	234,759
Unrealised income on derecognition of right-of use assets and lease liabilities		(310,133)	-	(310,134)	-
Decrease in fair value of financial assets at fair value through profit or loss	17	371,517	612,900	371,517	612,900
Profit on disposal of property, plant and equipment		-	(1,270,633)	-	(1,280,627)
Changes in:					
Trade receivables		2,381,805	(3,969,719)	6,864,257	(7,473,856)
Prepayments and other receivables		(2,345,063)	(5,295,409)	(1,144,284)	(3,124,730)
Inventories		2,967,056	(4,080,720)	(1,604,057)	(3,612,997)
Trade and other payables		10,033,650	1,407,936	14,057,810	564,429
Cash generated from operations		12,497,020	985,818	18,061,058	3,250,142
Payment of end of service benefits	28	(87,343)	(244,262)	(202,863)	(349,746)
Income tax paid		(454,000)	(847,527)	(287,105)	(1,184,531)
Net cash generated from operating activities		11,955,677	(105,971)	17,571,090	1,715,865
Cash flows from investing activities					
Investment in subsidiaries (net of transfer)	12	(3,386,415)	(12,529,828)	(3,240,265)	(11,153,341)
Proceeds from disposal of property, plant and equipment		-	1,926,050	-	1,936,044
Dividend income received on financial assets at fair value of through profit or loss	38	51,608	199,273	51,608	199,273
Dividends received from a subsidiary		-	1,985,000	-	-
Interest received	37	754	25,003	754	25,003
Purchase of property, plant and equipment	9	(1,441,152)	(7,226,126)	(10,718,481)	(9,207,951)
Net cash used in investing activities		(4,775,205)	(15,620,628)	(13,906,384)	(18,200,972)
Cash flows from financing activities					
Term loans (net of repayment)		(2,559,011)	5,901,043	(1,945,208)	3,581,363
Repayment of principal portion of lease		(1,460,224)	(3,515,080)	(227,946)	(2,656,859)
Repayment of interest on lease		(760,887)	(1,691,677)	(198,791)	(1,198,616)
Dividends paid		-	(2,500,000)	-	(2,500,000)
Movement in short term loans - net		(1,339,276)	10,518,410	1,118,262	12,609,475
Interest and finance costs paid		(2,452,827)	(2,474,317)	(3,251,307)	(2,975,257)
Net cash used in from financing activities		(8,572,225)	6,238,379	(4,504,990)	6,860,106
Net changes in cash and cash equivalents during the year		(1,391,753)	(9,488,220)	(840,284)	(9,625,001)
Cash and cash equivalents at the beginning of the year		(3,695,379)	5,792,841	(3,417,674)	6,207,327
Cash and cash equivalents at the end of the year	43	(5,087,132)	(3,695,379)	(4,257,958)	(3,417,674)

The notes on pages 13 to 60 form an integral part of these financial statements.