

Cash Flow Statement

For the year ended 30 June 2011

	2011	2010
Note	(Rupees '000)	
Cash flows from operating activities		
Profit before taxation	90,982,204	88,552,753
Adjustments for:		
Depreciation	3,782,258	3,323,474
Amortization of development and production assets	12,081,914	6,457,068
Impairment on development and production assets	800,668	-
Royalty	17,703,601	16,728,843
Workers' profit participation fund	4,788,537	4,660,671
Provision for employee benefits	2,442,491	1,288,012
Un-winding of discount on provision for decommissioning cost	1,476,194	1,263,914
Interest income	(2,711,545)	(1,560,848)
Un-realized gain on investments at fair value through profit or loss	(18,025)	(5,993)
Dividend income	(10,216)	(14,756)
Gain on disposal of property, plant and equipment	(29,869)	(75,086)
Effect of fair value adjustment of long term receivable	(13,536)	(25,620)
Provision for slow moving, obsolete and in transit stores	-	414,669
Provision for doubtful claims	-	1,050
Reversal of provision for doubtful debts	(57,677)	-
Share of profit in associate	(78,438)	(64,118)
Stores inventory written off	10,885	8,206
Provision for doubtful debts	-	82,808
	131,149,446	121,035,047
Working capital changes		
(Increase)/decrease in current assets:		
Stores, spare parts and loose tools	536,539	1,140,426
Stock in trade	(89,751)	(63,783)
Trade debts	5,138,656	(26,935,007)
Deposits and short term prepayments	(23,588)	(197,020)
Advances and other receivables	(1,112,321)	240,092
Decrease in current liabilities:		
Trade and other payables	(705,249)	(1,018,159)
Cash generated from operations	134,893,732	94,201,596
Royalty paid	(29,863,444)	(5,019,832)
Employee benefits paid	(2,492,223)	(1,305,743)
Payments of workers' profit participation fund - net	(5,210,671)	(4,459,364)
Income taxes paid	(29,403,253)	(21,910,472)
	(66,969,591)	(32,695,411)
Net cash from operating activities	67,924,141	61,506,185
Cash flows from investing activities		
Capital expenditure	(18,092,965)	(24,211,339)
Interest received	2,448,532	1,530,839
Dividend received	44,658	67,676
Purchase of investments	(353,000)	(276,970)
Proceeds from disposal of property, plant and equipment	34,204	84,107
Long term prepayments	(40,613)	(33,580)
Net cash used in investing activities	(15,959,184)	(22,839,267)
Cash flows from financing activities		
Dividend paid	(18,660,181)	(28,770,003)
Net cash used in financing activities	(18,660,181)	(28,770,003)
Net increase in cash and cash equivalents	33,304,776	9,896,915
Cash and cash equivalents at beginning of the year	18,836,743	8,939,828
Cash and cash equivalents at end of the year	52,141,519	18,836,743

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The annexed notes 1 to 41 form an integral part of these financial statements.



Chief Executive



Director