

Auditors' Report (continued)

**DASHEN BANK S.C.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016**

Currency: Ethiopian Birr

Cash flow from operating activities	Notes	2016	2015
Profit before provision for tax		950,609,670	963,809,696
Adjustment for:			
Gain on disposal of fixed assets		(1,524,310)	(1,299,666)
Non-cash prior period items effect		-	(2,088,185)
Depreciation	10	123,022,686	95,301,630
Investment income	14	<u>(202,958,626)</u>	<u>(161,520,419)</u>
		869,149,420	894,203,056
Decrease (Increase) in items in course of collection	7	(26,352,443)	24,231,885
(Increase) in loans and advances to customers	8	(1,145,570,544)	(1,903,457,699)
(Increase) in other assets	9	(552,333,744)	(113,527,117)
Increase/ in demand deposits		1,177,839,581	158,676,837
Increase in savings deposits		1,632,279,370	1,688,918,938
Increase in fixed deposits		134,274,167	285,168,909
(Increase)/Decrease in margin held on letters of credit		379,569,863	179,320,732
(Increase)/Decrease in other liabilities	11	65,768,952	173,758,968
Business profit tax paid		(234,675,726)	(245,105,441)
Directors' remuneration paid		<u>(400,000)</u>	<u>(350,000)</u>
Net cash inflow from operating activities		<u>2,299,548,896</u>	<u>1,141,839,068</u>
Cash flow from investing activities			
Purchase of fixed assets	10	(240,263,909)	(179,012,686)
Proceeds from disposal of fixed assets		1,823,335	1,421,068
Purchase of shares		(12,173,000)	(10,840,000)
Investment income	14	202,958,626	161,520,419
Investment in GERD Bond, NBE/Treasury Bills		<u>(618,032,000)</u>	<u>(1,727,407,000)</u>
Net cash used for investing activities		<u>(665,686,948)</u>	<u>(1,754,318,199)</u>
Cash flows from financing activities			
Dividends paid		<u>(292,717,545)</u>	<u>(400,427,000)</u>
Net cash used for financing activities		<u>(292,717,545)</u>	<u>(400,427,000)</u>
(Decrease)/Increase in cash and cash equivalents		1,341,144,403	(1,012,906,131)
Cash and cash equivalents at the beginning of the year		<u>5,529,492,811</u>	<u>6,542,398,942</u>
Cash and cash equivalents at the end of the year		<u>6,870,637,214</u>	<u>5,529,492,811</u>



Teka Asfaw
Board Chairman

The notes on pages 25 to 35 are an integral part of these financial statements.