

Consolidated statement of cash flows

For the year ended 30 September 2008

	Note	Year ended 30 September 2008 £m	9-month period ended 30 September 2007 £m
(Loss)/profit for the year/period		(266.5)	73.0
Adjustment for:			
Depreciation and amortisation		330.9	134.8
Impairment of intangible assets and property, plant and equipment		145.8	22.9
Equity-settled share-based payment expenses		13.5	0.3
Loss on sale of property, plant and equipment		71.4	12.3
Share of profit of joint ventures and associates		(12.0)	(6.9)
Loss on foreign exchange		25.1	3.4
Dividends received from joint ventures and associates	11	9.4	–
Financial income	4	(122.0)	(99.9)
Financial expenses	4	204.5	109.3
Income tax (credit)/expense		(0.1)	79.5
Acquisition of shares for share-based payments	24	(7.1)	(12.8)
Operating profit before changes in working capital and provisions		392.9	315.9
(Increase)/decrease in inventories		(4.9)	1.2
Increase in trade and other receivables		(234.8)	(217.2)
Increase in trade and other payables		265.0	461.8
Increase/(decrease) in provisions and employee benefits		41.8	(24.6)
Cash flows from operations		460.0	537.1
Interest paid		(108.8)	(54.4)
Interest received		53.3	50.1
Income taxes paid		(33.5)	(35.5)
Cash flows from operating activities		371.0	497.3
Investing activities			
Proceeds from sale of property, plant and equipment		347.2	17.8
Proceeds from disposal of subsidiaries net of cash disposed of		2.5	–
Acquisition of subsidiaries, net of cash acquired	12(b)	(90.3)	(114.3)
Acquisition of minority shareholdings	12(b)	(19.8)	(15.8)
Investment in joint ventures	11	(9.5)	–
Acquisition of property, plant and equipment and software		(277.4)	(79.9)
Cash flows from investing activities		(47.3)	(192.2)
Financing activities			
Share issue expenses		–	(23.3)
Proceeds from new loans and deposits taken		231.7	1,793.3
Repayment of borrowings		(1,410.5)	(603.5)
Payment of finance lease liabilities		(25.6)	(18.3)
Ordinary and minority interest dividends paid	24	(69.9)	(15.2)
Pre-business combination financing cash flows to TUI AG		–	(697.6)
Cash flows from financing activities		(1,274.3)	435.4
Net (decrease)/increase in cash and cash equivalents		(950.6)	740.5
Cash and cash equivalents at start of year/period	17	1,958.7	1,183.6
Effect of foreign exchange on cash held		121.7	34.6
Cash and cash equivalents at end of year/period	17	1,129.8	1,958.7

Movements in cash and net debt are presented in Note 26. Acquisitions of property, plant and equipment and software includes £73.1m of aircraft assets recorded directly as non-current assets held for sale, pending their planned sale and operating leaseback.