



COMPANY CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000
Reconciliation of loss before tax to net cash flows from operating activities:		
Loss before tax	(20,541)	(58,079)
Adjustments for:		
Impairment and other write-offs of property, plant and equipment and intangible assets	794	8,744
Depreciation and amortisation of intangible and tangible assets	22,302	18,103
Share option charge	1,873	1,675
Gain on sale of securities and fair value gains on derivatives	(5,376)	(6,374)
Accrued interest on and amortisation of investment securities	(4,152)	8,511
Changes in operating assets	(2,346,135)	(1,964,333)
Changes in operating liabilities	3,515,205	2,540,961
Net cash flows from operating activities	1,163,970	549,207
Cash flows from investing activities		
Sales of investment securities	2,196,953	910,546
Purchase of investment securities	(3,403,039)	(1,310,529)
Purchase of property, plant and equipment	(97,816)	(49,632)
Purchase and development of intangible assets	(44,144)	(29,907)
Net cash flows from investing activities	(1,348,046)	(479,522)
Cash flows from financing activities		
Share issues	17 403,572	–
Cost of share issues	17 (5,231)	–
Net cash flows from financing activities	398,341	–
Net (decrease)/increase in cash and cash equivalents	214,265	69,685
Cash and cash equivalents at start of year	284,715	215,030
Cash and cash equivalents at end of year	498,980	284,715
Loss before tax includes:		
Interest received	195,157	113,034
Interest paid	(53,246)	(31,058)
Cash and cash equivalents comprise:		
Cash and balances with the Bank of England	434,612	217,900
Loans and advances to banks	64,368	66,815
	498,980	284,715