



CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	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		(17,198)	(56,797)
Adjustments for:			
Impairment and other write-offs of property, plant and equipment and intangible assets		793	8,744
Depreciation and amortisation of intangible and tangible assets	12, 13	22,379	18,195
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)	8,510
Changes in operating assets		(2,341,143)	(1,970,639)
Changes in operating liabilities		3,511,726	2,542,722
Net cash inflows from operating activities		1,168,902	546,036
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	12	(97,828)	(49,668)
Proceeds from sale of property, plant and equipment and intangible assets		4	-
Purchase and development of intangible assets	13	(45,053)	(29,907)
Net cash outflows from investing activities		(1,348,963)	(479,558)
Cash flows from financing activities			
Share issues	17	403,572	-
Cost of share issues	17	(5,231)	-
Net cash inflows from financing activities		398,341	-
Net increase/(decrease) in cash and cash equivalents		218,280	66,478
Cash and cash equivalents at start of year		282,148	215,670
Cash and cash equivalents at end of year		500,428	282,148
Loss before tax includes:			
Interest received		207,678	121,316
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		65,816	64,248
		500,428	282,148