

# Ermes Department Store Plc

## Consolidated Cash Flow Statement for the year ended:

	31.12.07	31.12.06
	£	£
<b>Cash flows from operating activities</b>		
Profit before taxation	7,429,931	6,907,207
Adjustments for:		
Depreciation of fixed assets	2,522,034	2,197,352
Depreciation of intangible assets	193,707	210,246
Interest expense	501,661	321,675
Interest income	-699,503	-747,025
Share of loss/(profit) from associated company	183,169	84,744
Loss/ (Profit) on sale of fixed assets	9,014	104,297
(Profit)/ Loss from disposal of investments available for sale	0	-29,850
(Profit)/Loss on sale of subsidiary company	-245,987	-97,925
<b>Operating profit before working capital changes</b>	<b>9,894,026</b>	<b>8,950,721</b>
Changes in working capital:		
Stocks	-3,235,125	387,513
Debtors and prepayments	337,148	-545,832
Creditors and accruals	1,313,874	880,762
<b>Cash from/(used in) operating activities</b>	<b>8,309,923</b>	<b>9,673,164</b>
Taxation (paid)	-996,109	-716,453
<b>Net Cash from/(used in) operating activities</b>	<b>7,313,814</b>	<b>8,956,711</b>
<b>Cash flows from investing activities:</b>		
Purchase of fixed assets	-14,251,757	-3,588,173
Purchase of intangible assets	-75,013	-21,506
Purchase of investments in associated companies	-231,445	-70,720
Purchase of investments in subsidiary company	-910,101	0
Proceeds from sale of subsidiary	975,066	115,000
Proceeds from disposal of investments available for sale	0	42,754
Proceeds from sale of fixed assets	39,533	12,447
Decrease/(Increase) in amounts due to/from related/subsidiary company	3,394,298	-668,757
Interest received	699,503	747,025
<b>Net cash (used in)/from investing activities</b>	<b>-10,359,916</b>	<b>-3,431,930</b>
<b>Cash flows from financing activities:</b>		
Interest paid	-501,661	-321,675
Proceeds from new bank loans	6,062,282	1,817,757
Dividends paid to the company's shareholders	-3,500,000	-2,800,000
Dividend paid from subsidiary company	-980,000	-588,000
(Increase)/Decrease in amounts due from associated companies	0	635,318
<b>Net Cash (used in)/from financing activities</b>	<b>1,080,621</b>	<b>-1,256,600</b>
<b>Net (decrease)/increase in bank balances and cash</b>	<b>-1,965,481</b>	<b>4,268,181</b>
Bank Balances and cash at beginning of year	4,771,904	503,723
<b>Bank Balances and cash at end of year</b>	<b>2,806,423</b>	<b>4,771,904</b>