

Consolidated statement of cash flows

For the year ended 30 June 2010

US\$ million	2010	2009
Profit/(loss) before taxation for the year from continuing and discontinued operations	69.0	(92.3)
Depreciation of property plant and equipment – exploration	0.1	2.7
Depreciation of property plant and equipment – mining	11.6	8.9
Depreciation of property plant and equipment – other	0.2	0.1
Amortisation of intangible assets	1.0	3.3
Impairment charge on assets	–	75.3
Profit on sale of Kono project	(0.8)	–
Profit/(loss) on sale of property plant and equipment	(3.7)	0.2
Recycling of foreign exchange differences on exploration projects	(12.3)	–
Release of fair value uplift on sales of inventory acquired through second 50% acquisition of CIHL	26.4	–
Fair value uplift on acquisition of additional 50% of Cullinan	(31.0)	–
(Decrease)/increase in provisions	(2.1)	8.7
Finance income	(7.8)	(3.2)
Finance expense	12.6	9.2
Present value adjustment of rehabilitation provision – change in assumptions	–	(4.6)
Share based payments	0.9	2.3
Foreign exchange gain	(5.1)	(13.4)
Operating profit/(loss) before working capital changes	59.0	(2.8)
(Increase)/decrease in trade and other receivables	(0.3)	25.2
Increase/(decrease) in trade and other payables	4.6	(10.6)
(Increase)/decrease in inventories	(11.2)	0.8
Cash generated from operations	52.1	12.6
Finance expense	(1.6)	(6.6)
Taxation paid	(1.7)	(1.4)
Net cash generated from operating activities	48.8	4.6

Consolidated statement of cash flows (cont.)

For the year ended 30 June 2010

US\$ million	2010	2009
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	3.9	0.3
Disposal of subsidiary net of cash	–	1.4
Acquisition of subsidiary net of cash	0.4	(8.7)
Acquisition of Cullinan net of cash acquired	–	(62.5)
Acquisition of assets at Kimberley Underground net of cash	(2.0)	–
Acquisition of assets at Kimberley Underground pre-acquisition	(16.6)	–
Finance income	0.4	3.5
Increase in long term receivables	–	(19.5)
Acquisition of property, plant and equipment	(33.4)	(38.8)
Development expenditure	–	(2.1)
Transfer (to)/from restricted cash deposits	(5.3)	13.3
Net cash utilised in investing activities	(52.6)	(113.1)
Cash flows from financing activities		
Proceeds from the issuance of share capital	120.1	–
Payment of share placing costs	(6.6)	–
(Repayment)/increase of non-current borrowings	(43.8)	58.0
(Repayment)/increase of current borrowings	(48.0)	37.5
Net cash generated from financing activities	21.7	95.5
Net increase/(decrease) in cash and cash equivalents	17.9	(13.0)
Cash and cash equivalents at beginning of the year	6.7	19.8
Effect of exchange rate fluctuations on cash held	0.2	(0.1)
Cash and cash equivalents at end of the year	24.8	6.7

The figures for cash and cash equivalents at the beginning and end of the year for the year to 30 June 2009 do not correspond to those presented in the previous financial statements. Cash and cash equivalents have been reclassified into restricted and unrestricted cash balances on the consolidated statement of financial position in the current year and the comparative has therefore been reclassified to aid comparability. The consolidated statement of cash flows has been amended to present movements in unrestricted cash balances. This reclassification has had no impact on profit for the year or on the net assets of the Group.

The notes on pages 43 to 99 form part of the financial statements.

Significant non-cash flow transactions which are not reflected in the cash flow statement are set out in note 31.