

DESNOES & GEDDES LIMITED

Group Statement of Cash Flows

Year ended June 30, 2004

	2004	2003
	\$'000	\$'000
1000.00000 #####		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the year	1,552,958	1,328,112
Adjustments to reconcile net profit to net cash Provided/(used) by operating activities:		
Items not involving cash:		
Depreciation	255,851	177,929
(Gain)/loss on disposal/write-off of property, plant and equipment	(5,654)	102,662
Deferred taxation	167,688	97,755
(Increase)/decrease in employee benefits asset	(262,000)	60,000
Reduction in value of property, plant and equipment	-	(47,805)
	<u>1,708,843</u>	<u>1,718,653</u>
(Increase)/decrease in current assets:		
Accounts receivable	136,657	(26,283)
Inventories	123,130	(193,548)
Increase/(decrease) in current liabilities:		
Accounts payable	(184,420)	353,753
Taxation payable	(10,222)	(38,821)
Diageo group companies	(91,788)	13,803
Net cash provided by operating activities	<u>1,682,200</u>	<u>1,827,557</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(593,347)	(569,702)
Proceeds from disposal of property, plant and equipment	26,930	3,610
Proceeds from disposal of investments	36	102

Pension contributions	<u>(6,000)</u>	<u>(12,000)</u>
Net cash used by investing activities	<u>(572,381)</u>	<u>(577,990)</u>
CASH FLOWS FROM/IN FINANCING ACTIVITIES		
Long-term liabilities repaid	(4,553)	(4,553)
Dividend payments	<u>(1,545,044)</u>	<u>(1,545,044)</u>
Net cash used by financing activities	(1,549,597)	(1,549,597)
Net decrease in cash resources	(439,778)	(300,030)
Cash resources at beginning of year	<u>1,174,084</u>	<u>1,474,114</u>
Cash resources at end of year	734,306	1,174,084
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Comprised of -		
Cash resources	163,237	446,403
Short-term deposits	<u>571,069</u>	<u>727,681</u>
	734,306	1,174,084
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