

Tangier is a public listed company. Its summarised financial statements for the years ended 31 March 2012 and the comparative figures are shown below.

Statements of comprehensive income for the year ended 31 March:

	2012	2011
	\$ m	\$ m
Revenue	2,700	1,820
Cost of sales	(1,890)	(1,092)
	—————	—————
Gross profit	810	728
Distribution costs	(230)	(130)
Administrative expenses	(345)	(200)
Finance costs	(40)	(5)
	—————	—————
Profit before tax	195	393
Income tax expense	(60)	(113)
	—————	—————
Profit for the year	135	280
Other comprehensive income	80	nil
	—————	—————
Total comprehensive income	215	280
	—————	—————
Statements of financial position as at 31 March:		

	2012		2011	
	\$ m	\$ m	\$ m	\$ m
Assets				
Non-current assets				
Property, plant and equipment		680		410
Intangible asset: manufacturing licence		300		200
Investment at cost: shares in Raremetal		230		nil
		—————		—————
		1,210		610

Current assets				
Inventory	200		110	
Trade receivables	195		75	
Bank	nil	395	120	305
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets		1,605		915
		<u> </u>		<u> </u>
Equity and liabilities				
Equity				
Equity shares of \$1 each		350		250
Reserves				
Revaluation		80		nil
Retained earnings		375		295
		<u> </u>		<u> </u>
		805		545
Non-current liabilities				
5% loan notes	100		100	
10% secured loan notes	300	400	nil	100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Current liabilities				
Bank overdraft	110		nil	
Trade payables	210		160	
Current tax payable	80	400	110	270
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total equity and liabilities		1,605		915
		<u> </u>		<u> </u>

The following information is relevant:

Depreciation/amortisation charges for the year ended 31 March 2012 were:

	\$ m
Property, plant and equipment	115
Intangible asset: manufacturing licence	25

There were no sales of non-current assets during the year, although property has been revalued.

Required:

Prepare the statement of cash flows for the year ended 31 March 2012 for Tangier in accordance with the indirect method in accordance with IAS 7 *Statement of cash flows*. (11 marks)