

31. Cash structure in the statement of cash flows

PLN '000	Note	Dec 31 2011	Dec 31 2010 (restated)
Cash at bank	30	380,668	381,995
Cash in hand	30	322	273
Other cash	30	2,690	333
Overdraft facilities	34	(222,128)	(264,368)
Total cash and cash equivalents		161,552	118,233

Cash at banks bears interest at variable rates set on the basis of short-term interest rates prevailing on the interbank market. Short-term deposits are placed for various maturities, ranging from one day to one month, depending on the Group's current demand for cash, and bear interest at the interest rates set for them.

In the statement of financial position, restricted cash is disclosed under "Cash and cash equivalents".

Causes of differences between changes in certain items as shown by the statement of financial position and as shown by the statement of cash flows

Receivables PLN '000	Note	Year ended Dec 31 2011	Year ended Dec 31 2010
Balance-sheet change in net non-current and current receivables		(458,175)	(207,829)
Change in income tax receivables		92,946	(5,874)
Change in investment receivables		(1,531)	2,958
Change in receivables from sale of shares		400	(83)
Change in Group structure		21,282	-
Set-off of corporate income tax receivables against VAT liabilities		(7,562)	(77,933)
Set-off of corporate income tax payable against VAT receivables		(29,413)	-
Reclassification into non-current assets held for sale	22	(58,130)	(818)
Other		(1,195)	(9,130)
Change in receivables as disclosed in the statement of cash flows		(441,378)	(298,709)

Inventories PLN '000	Note	Year ended Dec 31 2011	Year ended Dec 31 2010
Change in inventories as shown by the balance sheet		(1,349,049)	(1,483,647)
Change in Group structure		16,590	-
Reclassification into non-current assets held for sale	22	(24,728)	-
Other		4,279	-
Change in inventories as shown by the statement of cash flows		(1,352,908)	(1,483,647)

Liabilities, accruals and deferred income

Year ended

Year ended

PLN '000	Dec 31 2011	Dec 31 2010 (restated)
Balance-sheet change in non-current and current liabilities, and accruals and deferred income	2,325,120	1,784,317
Change in non-current and current borrowings and other debt instruments	(1,064,835)	(635,651)
Adjustment for deposits earmarked for repayment of bank borrowings	(168,346)	1,263
Change in investment commitments	16,955	24,052
Change in liabilities related to issue of notes	52,670	(52,670)
Change in liabilities related to acquisition of debt claims	38,793	-
Change in liabilities related to acquisition of shares	(15,363)	(1,926)
Change in Group structure	(71,632)	-
Change in finance lease liabilities	(120,746)	8,878
Change in income tax liabilities	7,768	(3,321)
Set-off of corporate income tax receivables against VAT liabilities	7,562	77,937
Change in liabilities related to negative valuation of derivative financial instruments	12,029	(43,436)
Grants received	(2,211)	-
Adjustment for cash earmarked for acquisition of shares	(26,169)	-
Reclassification into non-current assets held for sale	15,696	173
Other	(1,286)	(2)
Change in liabilities and accruals and deferred income as shown by the statement of cash flows	1,006,005	1,159,614

Provisions PLN '000	Note	Year ended Dec 31 2011	Year ended Dec 31 2010
Balance-sheet change in provisions		61,605	59,518
Change in Group structure		(15,704)	-
Change in deferred tax liabilities		17,917	(32,532)
Change in provision for Offshore Oil and Gas Facilities		(29,374)	(17,135)
Reclassification into non-current assets held for sale	22	3,756	-
Change in provisions as shown by the statement of cash flows		38,200	9,851

Prepayments and accrued income PLN '000	Note	Year ended Dec 31 2011	Year ended Dec 31 2010
Balance-sheet change in prepayments and accrued income		(250,721)	(91,242)
Change in Group structure		783	-
Change in deferred tax assets		240,227	85,634
Change in commission fees on revolving credit facilities, amortised over time		(1,754)	(365)
Reclassification into non-current assets held for sale	22	(77)	(985)
Other		(2,113)	(11)
Change in prepayments and accrued income as shown by the statement of cash flows		(13,655)	(6,969)

Cash PLN '000	Year ended Dec 31 2011	Year ended Dec 31 2010 (restated)
Balance-sheet change in cash	1,079	37,475
Change in interest-bearing overdraft facilities	42,240	246,346
Change in cash as shown by the statement of cash flows	43,319	283,821

Causes of differences between the items disclosed in the notes to the financial statements and the items of the statement of cash flows

Depreciation and amortisation PLN '000	Year ended Dec 31 2011	Year ended Dec 31 2010
Depreciation/amortisation as disclosed in changes to property, plant and equipment and intangible assets	608,667	390,118
Depreciation directly related to expenditure on tangible assets under construction	(59)	(217)
Depreciation/amortisation as disclosed in the statement of cash flows	608,608	389,901
Purchase of property, plant and equipment and intangible assets PLN '000	Year ended Dec 31 2011	Year ended Dec 31 2010 (restated)
Purchase of property, plant and equipment and intangible assets as disclosed in changes to property, plant and equipment and intangible assets	(720,412)	(992,410)
Change in investment commitments	(22,895)	(24,052)
Acquisition of tangible assets under a lease agreement	110,955	4,828
Other	3,019	(15,639)
Purchase of property, plant and equipment and intangible assets as disclosed in the statement of cash flows	(629,333)	(1,027,273)

Other items related to the statement of cash flows

Other adjustments PLN '000	Note	Year ended Dec 31 2011	Year ended Dec 31 2010
Cash earmarked for repayment of interest		(37,479)	-
Reclassification to current financial assets	28	(18,320)	-
Reclassification into non-current assets held for sale		3,082	(77)
Other adjustments		(52,717)	(77)
Other cash outflows on financial assets PLN '000		Year ended Dec 31 2011	Year ended Dec 31 2010
Cash earmarked for financing of an overhaul shutdown planned at Grupa LOTOS S.A. in 2013, as provided for in the credit agreements executed to finance the 10+ Programme		(38,106)	-
Security deposit provided by Grupa LOTOS S.A. to Marex Financial, a brokerage firm, to enable execution of transactions on the ICE Futures Internet platform		(8,639)	-
Cash transfer to the bank account of the Mining Facilities Decommissioning Fund		(1,898)	-
Other cash outflows on financial assets		(48,643)	-

This is a translation of a document originally issued in Polish.