

**Solution:**

(1)

Let us first prepare the statement in accordance with the Vodafone's method. The section will be prepared as follows:

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STATEMENT OF CASH FLOW (ONLY INVESTING ACTIVITIES)	
(Amount in millions of £)	
Name: Vodafone Group Plc	
For: Fiscal 2011	
Particulars	Amount
CASH PROVIDED (USED) BY INVESTING ACTIVITIES	
Purchases:	
Property, Plant & Equipment	(4,350)
Intangibles	(4,290)
Investments	(318)
Interests in subsidiary & ventures	(402)
Disposals:	
Investments	4,467
Property, Plant & Equipment	51
Dividends received from investments	1,424
Dividends received from associates	85
Interest received	1,659
Taxation on Investing Activities	(208)
Net Cash Provided (used) by Operations	(1,882)

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