

	2012 \$m	2011 \$m
Note 51 – Cash flow information		
(a) Reconciliation of profit for the period to net cash flows from operating activities		
Profit for the year	114.9	558.7
Share of profits of associates and jointly controlled entities	(16.8)	(33.6)
Dividends received from jointly controlled entities	26.7	24.3
Depreciation and amortisation	173.9	148.0
Impairment of exploration and evaluation assets	35.8	–
Impairment of available-for-sale equity investments	–	0.2
Loss on remeasurement to fair value of pre-existing equity interest in an acquired entity	120.7	–
Cumulative loss reclassified from equity of pre-existing equity interest in an acquired entity	36.3	–
Share-based payments expense	6.4	2.0
Net loss/(gain) in fair value of derivatives	304.6	(218.8)
Net loss on disposal of exploration and evaluation assets	1.1	–
Net loss on disposal of oil and gas assets	0.1	–
Net loss on disposal of property, plant and equipment	0.3	3.5
Non-cash finance costs	9.3	11.5
Capitalised finance costs	(26.8)	(15.4)
Deferred borrowing costs	(22.7)	(1.9)
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	(207.2)	(41.8)
(Increase)/decrease in inventories	(21.5)	(30.4)
(Increase)/decrease in derivative financial instruments	0.2	(23.4)
(Increase)/decrease in other financial assets	29.8	30.0
(Increase)/decrease in other assets	(46.5)	(100.4)
Increase/(decrease) in trade and other payables	123.0	25.2
Increase/(decrease) in provisions	(39.2)	(7.8)
Increase/(decrease) in other liabilities	(3.1)	5.3
Increase/(decrease) in tax assets and liabilities	(132.8)	234.1
Net cash provided by operating activities	466.5	569.3
(b) Subsidiaries and businesses acquired		
Net cash inflow/(outflow) on acquisition of subsidiaries and businesses (Note 43)	217.5	(5.1)
(c) Subsidiaries disposed		
Net cash inflow on disposal of subsidiaries (Note 44)	–	163.9
(d) Reconciliation of cash and cash equivalents		
Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:		
Cash at bank and on hand	540.1	201.4
Short-term deposits	1,272.8	551.7
	1,812.9	753.1
(e) Non-cash financing and investing activities		
Dividends satisfied by the issue of shares under the AGL Dividend Reinvestment Plan (Note 34)	92.4	61.9
Shares issued as consideration for acquisition of subsidiary (Note 34)	–	116.0
	92.4	177.9

Note 52 – Economic dependency

- (a) The consolidated entity is dependent to a significant extent upon various consortia of producers for the supply of natural gas from the Cooper Basin in South Australia, the Gippsland Field in Bass Strait and the Surat/Bowen Basin in Queensland. Long-term contracts protect the continuity of supply from these producers.

The consolidated entity has an obligation to pay the consortia of producers for a specified minimum quantity of gas each contract year, irrespective of the quantity actually supplied by the producers. The consolidated entity has the right to receive, without additional payment to the producers, a future delivery of gas equivalent to the quantity paid for but not taken in any contract year.

- (b) The consolidated entity is dependent to a significant extent on the acquisition of electricity from generating entities and the use of transmission systems. Ongoing contracts are in place both for the purchase of electricity and the use of the transmission systems.