

Notes to the statement of cash flow

33 Notes to the statement of cash flow

The consolidated statement of cash flow shows how cash and cash equivalents have changed in the course of the year as a result of inflows and outflows of funds. As per IAS 7 "Statement of Cash Flows", differentiation is made between cash flows from operating activities, from investing activities and from financing activities.

Cash flow from operating activities results from cash flows that cannot be defined as investing or financing activities. It is determined on the basis of net profit. As part of the indirect determination of cash flow, the changes in balance sheet items due to operating activities are adjusted by effects from changes to the scope of consolidation and currency translations where necessary. The changes in the respective balance sheet items can therefore only be partially aligned with the corresponding values in the published consolidated balance sheets. For further details, please refer to the "Financial position" section in the joint management report.

Cash flow from investing activities is essentially influenced by the investment of cash and cash equivalents in property, plant and equipment, in time deposits, as well as in time deposits which have reached maturity.

Cash flow from financing activities includes cash-relevant equity changes and loans used and paid back as well as the repayment portions of leasing liabilities.

Cash and cash equivalents with a term to maturity of not more than three months are recorded under cash and cash equivalents. Cash equivalents are short-term financial assets which can be converted into cash at any time and which are only subject to minor value fluctuation risks.

Cash and cash equivalents

All figures in €'000	31 Dec. 2020	31 Dec. 2019
Cash and cash equivalents	859,041	510,778
Liabilities to banks due on demand (excluding the banking business)	-3,244	-
Cash and cash equivalents	855,797	510,778

Receivables of MLP Banking AG due from banks are included in cash and cash equivalents, insofar as they are separable as own-account investing activities. Inseparable elements are not considered to be cash and cash equivalents and are therefore not included. All deposits at the Deutsche Bundesbank are disclosed under cash and cash equivalents.