

Consolidated Cash Flow Statement

for the year ended 31st March 2002

Annual Report and Accounts 2002

	Notes	2002 £ million	2001 £ million
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		168.5	174.1
Depreciation and amortisation charges		55.1	41.1
Profit on disposal of tangible fixed assets and investments		(1.4)	(0.7)
(Increase) / decrease in owned stocks		(83.6)	15.0
Decrease / (increase) in debtors		73.9	(82.0)
Increase in creditors and provisions		11.6	9.0
Net cash inflow from operating activities		224.1	156.5

Cash Flow Statement

Net cash inflow from operating activities		224.1	156.5
Dividends received from associates		0.1	0.1
Returns on investments and servicing of finance	27	(4.9)	5.8
Taxation		(55.8)	(38.2)
Capital expenditure and financial investment	27	(131.0)	(94.7)
Acquisitions and disposals			
Acquisitions	27	(143.5)	(6.2)
Disposals	27	(2.2)	0.6
Net cash outflow for acquisitions and disposals		(145.7)	(5.6)
Equity dividends paid		(52.1)	(46.5)
Net cash outflow before use of liquid resources and financing		(165.3)	(22.6)
Management of liquid resources	27	0.2	157.8
Financing			
Issue and purchase of share capital	27	(44.1)	7.9
Increase / (decrease) in borrowings and finance leases	27	57.5	(12.1)
Net cash inflow / (outflow) from financing		13.4	(4.2)
(Decrease) / increase in cash in the period		(151.7)	131.0

Reconciliation of net cash flow to movement in net debt

(Decrease) / increase in cash in the period		(151.7)	131.0
Cash (inflow) / outflow from movement in borrowings and finance leases	28	(57.5)	12.1
Cash inflow from term deposits included in liquid resources		(0.2)	(157.8)
Change in net funds / debt resulting from cash flows		(209.4)	(14.7)
Borrowings acquired with subsidiaries		(46.8)	(1.3)
Loan notes issued to acquire subsidiaries		(40.6)	–
New finance leases		(4.3)	–
Translation difference	28	2.2	(9.9)
Movement in net funds / debt in year		(298.9)	(25.9)
Net funds at beginning of year	28	139.9	165.8
Net (debt) / funds at end of year	28	(159.0)	139.9

The notes on pages 40 to 64 form an integral part of the accounts.