

Consolidated and Parent Company Cash Flow Statements

for the year ended 31st March 2006

	Notes	Group		Parent company	
		2006 £ million	2005 £ million	2006 £ million	2005 £ million
Cash flows from operating activities					
Profit before tax		213.8	167.4	229.5	657.4
Adjustments for:					
Share of loss / (profit) in associates		0.2	(0.5)	–	–
Discontinued operations		–	0.4	–	–
Depreciation, amortisation and profit on sale of non-current assets and investments		76.7	66.1	34.3	37.2
Share-based payments		3.2	2.8	3.2	2.8
(Increase) / decrease in inventories		(25.6)	(38.2)	4.5	(1.5)
(Increase) / decrease in receivables		(78.7)	9.1	(67.3)	(337.0)
Increase / (decrease) in payables		63.7	19.2	(88.0)	(137.8)
(Decrease) / increase in provisions		(18.1)	5.4	(15.1)	24.6
Employee benefits obligations charge less contributions		(9.3)	(8.0)	(7.8)	(8.3)
Changes in fair value of financial instruments		(12.4)	–	2.1	–
Dividend income		–	–	(159.0)	(645.8)
Net interest		14.7	13.0	(14.7)	21.0
Income tax (paid) / received		(15.9)	(52.9)	9.2	(18.1)
Net cash inflow / (outflow) from operating activities		212.3	183.8	(69.1)	(405.5)
Cash flows from investing activities					
Dividends received from associates		0.1	0.2	–	–
Dividends received from subsidiaries		–	–	170.0	645.8
Purchases of non-current assets and investments	35	(120.3)	(96.3)	(90.0)	(38.9)
Proceeds from sale of non-current assets and investments		5.7	4.1	0.5	0.7
Purchases of businesses and minority interests	35	(24.3)	(4.0)	–	8.3
Net proceeds from sale of business	35	–	23.3	–	22.8
Net cash (outflow) / inflow from investing activities		(138.8)	(72.7)	80.5	638.7
Cash flows from financing activities					
Net purchase of own shares	35	(25.9)	(16.1)	(25.9)	(16.1)
Proceeds from / (repayment of) borrowings and finance leases	35	82.3	(50.6)	83.6	(154.4)
Dividends paid to equity holders of the parent company	9	(60.4)	(58.4)	(60.4)	(58.4)
Dividends paid to minority shareholders		(0.2)	(0.2)	–	–
Interest paid		(30.6)	(32.1)	(53.8)	(64.6)
Interest received		16.6	19.2	69.2	43.5
Net cash (outflow) / inflow from financing		(18.2)	(138.2)	12.7	(250.0)
Increase / (decrease) in cash and cash equivalents in the year					
Exchange differences on cash and cash equivalents		5.8	0.1	–	–
Cash and cash equivalents at beginning of year		64.0	91.0	(14.1)	2.7
Cash and cash equivalents at end of year	36	125.1	64.0	10.0	(14.1)
Reconciliation to net debt					
Increase / (decrease) in cash and cash equivalents in the year		55.3	(27.1)	24.1	(16.8)
(Proceeds from) / repayment of borrowings and finance leases		(82.3)	50.6	(83.6)	154.4
Change in net debt resulting from cash flows		(27.0)	23.5	(59.5)	137.6
Borrowings acquired with subsidiaries		(1.4)	–	–	–
Exchange differences on net debt		(13.4)	1.4	(1.4)	–
Movement in net debt in year		(41.8)	24.9	(60.9)	137.6
Net debt at beginning of year (after adjustment to opening position for IAS 39)	34	(370.2)	(394.5)	(325.1)	(462.1)
Net debt at end of year	24	(412.0)	(369.6)	(386.0)	(324.5)

The notes on pages 62 to 109 form an integral part of the accounts.