

Consolidated cash flow statement

For the year ended 31 March 2003

	NOTE	2003 TOTAL £M	2002 CONTINUING OPERATIONS £M	DISCONTINUED OPERATIONS £M	TOTAL £M
Reconciliation of operating profit to net cash inflow from operating activities					
Operating profit		90.8	96.7	–	96.7
Amortisation of goodwill		11.3	12.0	–	12.0
Depreciation and other amortisation		19.1	19.5	–	19.5
Decrease in stocks		2.7	29.0	0.5	29.5
(Increase) decrease in debtors		(0.2)	18.5	4.4	22.9
Increase (decrease) in creditors		9.9	(19.0)	(2.3)	(21.3)
Net cash inflow from operating activities		133.6	156.7	2.6	159.3
Cash flow statement					
Net cash inflow from operating activities		133.6	156.7	2.6	159.3
Returns on investments and servicing of finance	33	(1.2)	(3.7)	–	(3.7)
Taxation		(31.5)	(35.2)	2.3	(32.9)
Capital expenditure and financial investment	33	(32.7)	(41.5)	0.4	(41.1)
Free cash flow		68.2	76.3	5.3	81.6
Acquisitions	18	–			(0.8)
Equity dividends paid	9	(70.6)			(62.7)
Cash (outflow) inflow before use of liquid resources and financing		(2.4)			18.1
Management of liquid resources	33	(5.1)			(9.6)
Financing					
Shares	33	0.5			3.0
Loans	33	3.9			(18.4)
Decrease in cash in the year		(3.1)			(6.9)
Reconciliation of net cash flow to movement in net debt					
Decrease in cash		(3.1)			(6.9)
Management of liquid resources		5.1			9.6
Financing – loans		(3.9)			18.4
Change in net debt relating to cash flows		(1.9)			21.1
Translation differences		8.0			1.4
Decrease in net debt for the year		6.1			22.5
Net debt at the beginning of the year		(53.0)			(75.5)
Net debt at the end of the year	34	(46.9)			(53.0)

The cash flows of discontinued operations relate to the closure of Pact International Ltd. in 2001.
The notes on pages 43 to 57 form part of these accounts.