

22 Cash flow statement

For the year ended 31 December 2002	Notes	2002 £m	2001 £m
Net cash inflow from operating activities	31	100.7	86.9
Returns on investments and servicing of finance			
Interest received		7.2	15.5
Interest paid		(13.9)	(17.4)
Cost of financing convertible debt		(3.8)	(3.8)
Interest element of finance lease rental payments		(0.3)	(0.7)
Income from investments		0.1	–
Preference dividends paid		(0.7)	(0.7)
Dividends paid to minority shareholders		(5.9)	(3.7)
Net cash outflow for returns on investments and servicing of finance		(17.3)	(10.8)
Taxation		(5.7)	(11.1)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(48.6)	(54.7)
Purchase of fixed asset investments		–	(0.5)
Sale of tangible fixed assets		16.7	24.0
Sale of fixed asset investments		0.5	1.7
Net cash outflow for capital expenditure and financial investment		(31.4)	(29.5)
Acquisitions and disposals			
Purchase of subsidiary undertakings	31	(11.6)	(22.4)
Net cash acquired with subsidiaries		0.4	3.5
Sale of subsidiary undertakings	31	1.0	36.6
Net cash disposed with subsidiaries		–	(3.5)
Net cash (outflow)/inflow for acquisitions and disposals		(10.2)	14.2
Equity dividends paid		(21.2)	(21.1)
Management of liquid resources			
Decrease in short term deposits		12.0	1.8
Purchase of current asset investments		–	(1.7)
Sale of current asset investments		0.6	–
Net cash inflow from management of liquid resources		12.6	0.1
Financing			
Issue of ordinary share capital		1.0	0.6
Issue of shares to minorities		0.6	0.1
Decrease in borrowings	31	(44.4)	(35.2)
Net cash outflow from financing		(42.8)	(34.5)
Decrease in cash	31	(15.3)	(5.8)
Reconciliation of net cash flow to movement in net debt			
Decrease in cash		(15.3)	(5.8)
Cash outflow from change in debt and lease financing		44.4	35.2
Cash inflow from change in short term deposits		(12.0)	(1.8)
Change in net debt resulting from cash flows		17.1	27.6
New finance leases		(0.2)	(0.3)
Loan notes issued in respect of acquisitions		–	(2.5)
Loans and finance leases acquired with subsidiaries		–	(0.4)
Other		(0.2)	(0.1)
Exchange		7.0	(4.2)
Decrease in net debt		23.7	20.1
Net debt at 1 January		(128.1)	(148.2)
Net debt at 31 December	31	(104.4)	(128.1)