

## 12 Cash flow statement

For the year ended 31 December 2003	Notes	2003 £m	2002 (Restated) £m
<b>Net cash inflow from operating activities</b>	31	<b>50.3</b>	96.8
<b>Returns on investments and servicing of finance</b>			
Interest received		3.2	7.2
Interest paid		(13.0)	(13.9)
Cost of financing convertible debt		(2.3)	(3.8)
Interest element of finance lease rental payments		(0.1)	(0.3)
Income from investments		0.3	0.1
Preference dividends paid		(0.7)	(0.7)
Dividends paid to minority shareholders		(3.1)	(5.9)
<b>Net cash outflow for returns on investments and servicing of finance</b>		<b>(15.7)</b>	(17.3)
<b>Taxation</b>		<b>(15.3)</b>	(5.7)
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(66.0)	(48.6)
Sale of tangible fixed assets		38.3	16.7
Sale of fixed asset investments		0.3	0.5
<b>Net cash outflow for capital expenditure and financial investment</b>		<b>(27.4)</b>	(31.4)
<b>Acquisitions and disposals</b>			
Purchase of subsidiary undertakings	31	(9.4)	(11.6)
Net cash acquired with subsidiaries		–	0.4
Sale of subsidiary undertakings	31	(4.0)	4.9
<b>Net cash outflow for acquisitions and disposals</b>		<b>(13.4)</b>	(6.3)
<b>Equity dividends paid</b>		<b>(28.3)</b>	(21.2)
<b>Management of liquid resources</b>			
(Increase)/decrease in short term deposits		(3.3)	12.0
Sale of current asset investments		1.2	0.6
<b>Net cash (outflow)/inflow from management of liquid resources</b>		<b>(2.1)</b>	12.6
<b>Financing</b>			
Issue of ordinary share capital		0.3	1.0
Issue of shares to minorities		0.2	0.6
Increase/(decrease) in borrowings	31	43.3	(44.4)
<b>Net cash inflow/(outflow) from financing</b>		<b>43.8</b>	(42.8)
<b>Decrease in cash</b>	31	<b>(8.1)</b>	(15.3)
<b>Reconciliation of net cash flow to movement in net debt</b>			
<b>Decrease in cash</b>		<b>(8.1)</b>	(15.3)
Cash (inflow)/outflow from change in debt and lease financing		(43.3)	44.4
Cash outflow/(inflow) from change in short term deposits		3.3	(12.0)
Change in net debt resulting from cash flows		(48.1)	17.1
New finance leases		(0.2)	(0.2)
Other		(0.1)	(0.2)
Exchange		21.3	7.0
<b>(Increase)/decrease in net debt</b>		<b>(27.1)</b>	23.7
Net debt at 1 January		(104.4)	(128.1)
<b>Net debt at 31 December</b>	31	<b>(131.5)</b>	(104.4)