

Consolidated Cash Flow Statement

For the year ended 31 December 2008

	Note	2008 £m	2007 £m
Cash flows from operating activities			
Profit after tax		81.1	86.2
Adjustments for:			
Tax	11	25.0	31.9
Profit on disposal of businesses	28	(0.3)	(19.0)
Finance costs	10	15.7	13.4
Financial income	10	(7.8)	(9.6)
Depreciation	16	10.4	13.1
Amortisation of intangible assets	15	7.7	2.0
Loss/(gain) on sale of property, plant and equipment	7	0.1	(0.6)
Equity settled share-based payment expense	27	1.8	0.9
Operating profit before changes in working capital and provisions		133.7	118.3
Decrease/(increase) in trade and other receivables		7.8	(2.0)
Increase in inventories		(10.1)	(6.9)
(Decrease)/increase in trade and other payables		(1.4)	10.1
Decrease in provisions and employee benefits		(6.9)	(4.5)
Corporation tax paid		(24.0)	(23.8)
Net cash from operating activities		99.1	91.2
Cash flows from investing activities			
Purchase of property, plant and equipment		(21.9)	(12.7)
Proceeds from sale of property, plant and equipment		0.9	1.4
Acquisition of businesses, net of cash acquired	31	(87.2)	(6.0)
Acquisition of an associate undertaking	31	(0.6)	–
Disposal of businesses		1.5	29.8
Interest received		1.6	1.9
Net cash flows (used in)/generated by investing activities		(105.7)	14.4
Cash flows from financing activities			
Interest paid		(10.1)	(8.2)
Dividends paid to equity holders of the parent	12	(25.0)	(22.2)
Share options exercised by issue of share capital		–	0.2
Share options exercised from shares held by Employee Benefit Trust		0.1	1.0
Share options exercised from treasury shares		0.2	2.9
Purchase of own shares by Employee Benefit Trust		(0.2)	(1.6)
Purchase of own shares – treasury shares		(9.3)	(79.2)
Proceeds from borrowings		50.0	–
Decrease in finance lease liabilities		–	(0.1)
Net cash flows generated by/(used in) financing activities		5.7	(107.2)
Net decrease in cash and cash equivalents		(0.9)	(1.6)
Cash and cash equivalents at beginning of year		47.4	47.0
Effect of foreign exchange rate changes		8.3	2.0
Cash and cash equivalents at end of year	19	54.8	47.4
Reconciliation of changes in cash and cash equivalents to movements in net debt (as defined in Note 20)			
	Note	2008 £m	2007 £m
Net decrease in cash and cash equivalents		(0.9)	(1.6)
Decrease in finance lease liabilities		–	0.1
Proceeds from borrowings	20	(50.0)	–
Effect of foreign exchange rate changes		(33.9)	(4.1)
Movement in net debt		(84.8)	(5.6)
Net debt at start of year	20	(77.3)	(71.7)
Net debt at end of year	20	(162.1)	(77.3)