

# Group Cash Flow Statement

for the year ended 31st December 1998

## RECONCILIATION OF OPERATING PROFIT TO OPERATING CASH FLOW

	<i>notes</i>	1998 £000	1997 £000
Operating profit		32,283	48,574
Depreciation charges		10,498	10,543
Decrease in stock		1,020	(5,158)
Decrease in debtors		580	(4,221)
Decrease in creditors and provisions		(5,411)	491
<b>Cash flow from operating activities</b>		<b>38,970</b>	<b>50,229</b>

## GROUP CASH FLOW STATEMENT

Cash flow from operating activities		38,970	50,229
Returns on investments and servicing of finance	30	(668)	(1,472)
Taxation		(13,664)	(15,565)
Capital expenditure	30	(16,392)	(13,067)
Acquisitions	30	(5,432)	(3,350)
Equity dividends paid		(8,797)	(11,406)
Cash inflow before use of liquid resources and financing		(5,983)	5,369
Management of liquid resources	30	360	(8,712)
		(5,623)	(3,343)
Financing - Issue and cancellation of shares	30	(4,820)	1,505
Financing - Increase in debt	30	3,757	(4,730)
		(1,063)	(3,225)
<b>Decrease in cash in the period</b>	<b>31</b>	<b>(6,686)</b>	<b>(6,568)</b>

## RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (Note 31)

Decrease in cash in the period		(6,686)	(6,568)
Cash inflow from decrease in debt and lease financing		(3,757)	4,730
Cash inflow from decrease in liquid resources		(360)	8,712
Change in net debt resulting from cash flows		(10,803)	6,874
Realised gain on gilt		18	21
Amortisation of loan expenses		(23)	-
Translation difference		(1,652)	3,492
Movement in net debt in the period		(12,460)	10,387
Net debt at 1st January 1998		(3,638)	(14,025)
<b>Net debt at 31st December 1998</b>	<b>31</b>	<b>(16,098)</b>	<b>(3,638)</b>