

Cash flow statements

for the year ended 31st December 2006

	THE GROUP		PARENT COMPANY	
	2006	2005	2006	2005
<i>notes</i>	£000	£000	£000	£000
Cash flows from operating activities				
Profit before taxation	65,344	56,959	21,146	24,685
Depreciation and amortisation	13,364	13,151	-	-
Dividends received	-	-	(31,661)	(25,309)
Share of profit of associates	(1,368)	(861)	-	-
Equity settled share plans	860	576	353	238
Net finance income	(2,035)	(928)	(1,242)	(1,376)
Exchange adjustments	-	-	459	-
Operating profit before changes in working capital and provisions	76,165	68,897	(10,945)	(1,762)
Increase in trade and other receivables	(12,662)	(2,814)	124	(88)
Increase in amounts due from subsidiaries	-	-	(22,773)	(4,541)
Increase in inventories	(6,248)	(3,224)	-	-
Decrease in provisions and post-retirement benefits	(15,887)	(4,045)	(2,925)	397
Increase in trade and other payables	5,184	1,371	(161)	348
Decrease in amounts due to subsidiaries	-	-	(14)	14
Cash generated from operations	46,552	60,185	(36,694)	(5,632)
Interest paid	(1,137)	(1,677)	(55)	(420)
Income taxes paid	(16,484)	(16,789)	110	261
Net cash from operating activities	28,931	41,719	(36,639)	(5,791)
Cash flows from investing activities				
Purchase of property, plant and equipment	(17,935)	(11,692)	-	-
Proceeds from sale of property, plant and equipment	660	850	-	-
Purchase of software and other intangibles	(1,678)	(1,139)	-	-
Development expenditure capitalised	(989)	(1,070)	-	-
Acquisition of businesses	(3,969)	(5,866)	(158)	(780)
Interest received	983	1,860	718	1,796
Dividends received	477	351	31,661	25,309
Net cash used in investing activities	(22,451)	(16,706)	32,221	26,325
Cash flows from financing activities				
Proceeds from issue of share capital	1,132	8,568	1,132	8,568
Proceeds from reissue of treasury shares	2,696	-	2,696	-
Treasury shares purchased	(18,082)	-	(18,082)	-
Repayment of borrowings	³⁰ (7,544)	(7,728)	-	-
Payment of finance lease liabilities	³⁰ (88)	(372)	-	-
Dividends paid (including minorities)	(18,843)	(16,796)	(18,715)	(16,684)
Net cash used in financing activities	(40,729)	(16,328)	(32,969)	(8,116)
Net decrease in cash and cash equivalents	³⁰ (34,249)	8,685	(37,387)	12,418
Cash and cash equivalents at beginning of period	53,093	43,914	39,368	26,950
Exchange movement	(745)	494	-	-
Cash and cash equivalents at end of period	³⁰ 18,099	53,093	1,981	39,368
Borrowings and finance leases	(24,653)	(34,048)	-	-
Net borrowings	³⁰ (6,554)	19,045	1,981	39,368