

Cash flow statements

for the year ended 31st December 2007

	THE GROUP		PARENT COMPANY	
	2007	2006	2007	2006
<i>notes</i>	£000	£000	£000	£000
Cash flows from operating activities				
Profit before taxation	72,163	65,344	5,066	21,146
Depreciation and amortisation	14,231	13,364	-	-
Dividends received	-	-	(6,500)	(31,661)
Share of profit of associates	(1,387)	(1,368)	-	-
Equity settled share plans	1,259	860	497	353
Net finance income	(2,440)	(2,035)	(1,133)	(1,242)
Exchange adjustments	-	-	(109)	459
Operating cash flow before changes in working capital and provisions	83,826	76,165	(2,179)	(10,945)
Increase in trade and other receivables	(5,244)	(12,662)	170	124
Decrease in amounts due from subsidiaries	-	-	23,705	(22,773)
Increase in inventories	(3,999)	(6,248)	-	-
Decrease in provisions and post-retirement benefits	(5,726)	(15,887)	(2,781)	(2,925)
Increase in trade and other payables	5,671	5,184	449	(161)
Decrease in amounts due to subsidiaries	-	-	-	(14)
Cash generated from operations	74,528	46,552	19,364	(36,694)
Interest paid	(1,699)	(1,137)	(219)	(55)
Income taxes paid	(18,162)	(16,484)	394	110
Net cash from operating activities	54,667	28,931	19,539	(36,639)
Cash flows from investing activities				
Purchase of property, plant and equipment	(13,826)	(17,935)	-	-
Proceeds from sale of property, plant and equipment	599	660	-	-
Purchase of software and other intangibles	(1,693)	(1,678)	-	-
Development expenditure capitalised	(1,604)	(989)	-	-
Acquisition of businesses	(1,170)	(3,969)	(220)	(158)
Interest received	906	983	464	718
Dividends received	557	477	6,500	31,661
Net cash used in investing activities	(16,231)	(22,451)	6,744	32,221
Cash flows from financing activities				
Proceeds from issue of share capital	42	1,132	42	1,132
Proceeds from reissue of treasury shares	3,115	2,696	3,115	2,696
Treasury shares purchased	-	(18,082)	-	(18,082)
Repayment of borrowings	<i>30</i> (2,543)	(7,544)	-	-
Payment of finance lease liabilities	<i>30</i> (20)	(88)	-	-
Dividends paid (including minorities)	(20,828)	(18,843)	(20,728)	(18,715)
Net cash used in financing activities	(20,234)	(40,729)	(17,571)	(32,969)
Net increase in cash and cash equivalents	<i>30</i> 18,202	(34,249)	8,712	(37,387)
Cash and cash equivalents at beginning of period	18,099	53,093	1,981	39,368
Exchange movement	1,556	(745)	-	-
Cash and cash equivalents at end of period	<i>30</i> 37,857	18,099	10,693	1,981
Borrowings and finance leases	(22,026)	(24,653)	-	-
Net cash/(borrowings)	<i>30</i> 15,831	(6,554)	10,693	1,981