

Consolidated cash flow statement

for the year ended 31 December 2006

	Notes	2006 £m	2005 £m
Cash flows from operating activities			
Operating profit on continuing activities before interest and taxation		218.2	166.6
Depreciation	13	42.2	31.7
Amortisation of other intangible assets (treated as depreciation)	14	1.2	4.9
Amortisation of intangible assets created on acquisition	14	6.9	4.5
Impairment of goodwill	15	–	12.0
Share based payment expense	26	8.5	7.6
Pension charge	31	15.9	12.0
Pension contributions	31	(19.1)	(16.6)
Loss on sale of property, plant and equipment		0.3	0.5
Movement in provisions		(1.9)	(2.4)
Increase in debtors		(48.8)	(19.4)
Increase in creditors		55.6	30.8
Cash generated from operations		279.0	232.2
Income tax paid		(40.3)	(38.2)
Interest paid		(23.1)	(13.9)
Interest received		1.0	0.4
Net cash generated from operating activities		216.6	180.5
Net cash used in investing activities			
Purchase of property, plant and equipment	13	(63.0)	(49.7)
Proceeds from sale of property, plant and equipment		1.9	0.4
Purchase of intangible fixed assets	14	(1.4)	(4.0)
Acquisition of subsidiary undertakings and businesses		(37.6)	(101.9)
Cash acquired with subsidiary undertakings		1.0	2.7
Purchase of trade investments in insurance captives	16	(7.6)	(12.0)
Investment loan	16	(11.7)	–
		(118.4)	(164.5)
Net cash used in financing activities			
Issue of ordinary share capital	27	50.4	9.9
Share buybacks	27	(244.9)	(49.6)
Share transaction costs	27	(1.2)	(0.3)
Dividends paid	12	(47.7)	(38.0)
Capital element of finance lease rental payments	28	(0.4)	(0.2)
Asset based securitised financing	28	(0.7)	1.4
Repayment of loan notes and long term loans	28	(3.4)	(7.3)
Proceeds on issue of bonds	21	179.1	75.0
Financing arrangement costs	21	(0.9)	(0.1)
		(69.7)	(9.2)
Net increase in cash and cash equivalents		28.5	6.8
Cash and cash equivalents at the beginning of the period		(19.3)	(26.1)
Cash and cash equivalents at 31 December		9.2	(19.3)
Cash and cash equivalents comprise:			
Overdraft	21	(0.5)	(19.3)
Cash at bank and in hand		9.7	–
Total		9.2	(19.3)