

Summary group cash flow statement

Group cash flow statement		
For the year ended 31st March 2002	2002 £m	2001 £m
Cash inflow from operating activities	722.4	664.4
Returns on investment and servicing of finance	40.7	(22.6)
Taxation	(139.2)	(167.4)
Capital expenditure and financial investment	(102.2)	(405.0)
Acquisitions and disposals	3.9	(32.7)
Equity dividends paid	(234.5)	(224.0)
Cash inflow/(outflow) before use of liquid resources and financing	291.1	(187.3)
Management of liquid resources	(234.3)	305.2
Financing	(55.2)	(71.4)
Increase in cash in the year	1.6	46.5

Cash is defined as cash in hand and deposits repayable on demand, less overdrafts repayable on demand.

Reconciliation of net cash flow to movement in net debt		
For the year ended 31st March 2002	2002 £m	2001 £m
Increase in cash in the year	1.6	46.5
Cash outflow/(inflow) from change in liquid resources	234.3	(305.2)
Cash outflow from change in borrowings and lease financing	20.0	72.3
Movement in net debt resulting from cash flows	255.9	(186.4)
Loan notes issued as settlement for acquisition	-	(1.6)
Borrowings of business disposed	-	3.3
Finance lease additions	(11.6)	(7.3)
Increase in value of investment in 10.125% bond 2017	21.9	19.9
Currency and other non-cash adjustments	(2.3)	(0.5)
Movement in net debt during the year	263.9	(172.6)
Opening net debt	(410.2)	(237.6)
Closing net debt	(146.3)	(410.2)

Net debt comprises cash, liquid resources, finance leases and all other borrowings.

Cash inflow from operating activities

Cash generated by the normal trading activities of the group before interest, tax, dividends, business acquisitions and disposals and net capital expenditure.

Capital expenditure

Investment in new properties, plant, fixtures and equipment and other intangible assets.

Management of liquid resources

Movement in short term investments and deposits.

Financing

Net cash flow from the issue of shares and loans, the repayment of loans and movement in bank borrowings.