

Consolidated Statement of Cash Flows

For the year ended 31 December 2009

	Note	2009 £m	2008 £m
Cash flows from operating activities			
Profit after tax		42.6	81.1
Adjustments for:			
Tax	10	11.6	25.0
Profit on disposal of businesses	26	(0.1)	(0.3)
Finance costs	9	20.3	15.7
Financial income	9	(5.9)	(7.8)
Depreciation	15	14.3	10.4
Amortisation of intangible assets	14	13.1	7.7
(Gain)/loss on sale of property, plant and equipment	6	(0.3)	0.1
Equity-settled share-based payment (credit)/charge	25	(0.4)	1.8
Operating profit before changes in working capital and provisions		95.2	133.7
Decrease in trade and other receivables		31.0	7.8
Decrease/(increase) in inventories		38.1	(10.1)
Decrease in trade and other payables		(42.9)	(1.4)
Decrease in provisions and retirement benefit obligations		(3.2)	(6.9)
Corporation tax paid		(16.7)	(24.0)
Net cash from operating activities		101.5	99.1
Cash flows from investing activities			
Purchase of property, plant and equipment		(14.2)	(21.9)
Proceeds from sale of property, plant and equipment		1.5	0.9
Acquisition of businesses, net of cash acquired	29	(28.7)	(87.2)
Acquisition of an associate undertaking	29	–	(0.6)
Proceeds from disposal of businesses		0.1	1.5
Interest received		0.4	1.6
Net cash flows used in investing activities		(40.9)	(105.7)
Cash flows from financing activities			
Interest paid		(11.2)	(10.1)
Dividends paid	11	(27.0)	(25.0)
Share options exercised from shares held by Employee Benefit Trust		–	0.1
Share options exercised from treasury shares		0.4	0.2
Purchase of own shares by Employee Benefit Trust		–	(0.2)
Purchase of own shares – treasury shares		–	(9.3)
Proceeds from borrowings		99.0	50.0
Repayment of borrowings		(142.0)	–
Net cash flows (used in)/generated by financing activities		(80.8)	5.7
Net decrease in cash and cash equivalents		(20.2)	(0.9)
Cash and cash equivalents at beginning of year		54.8	47.4
Effect of foreign exchange rate changes		(0.9)	8.3
Cash and cash equivalents at end of year	18	33.7	54.8

Reconciliation of changes in cash and cash equivalents to movements in net debt

	Note	2009 £m	2008 £m
Net decrease in cash and cash equivalents		(20.2)	(0.9)
Proceeds from borrowings		(99.0)	(50.0)
Repayment of borrowings		142.0	–
Effect of foreign exchange rate changes		15.4	(33.9)
Movement in net debt		38.2	(84.8)
Net debt at start of year	19	(162.1)	(77.3)
Net debt at end of year	19	(123.9)	(162.1)