

Consolidated Cash Flow Statement

For the year ended 31 December 2006

	Note	2006 £m	2005 £m
Cash flows from operating activities:			
Profit for the year		396.4	344.8
Adjustments for:			
Income tax expense		170.3	150.6
Finance income		(0.5)	(0.8)
Finance costs		71.1	33.2
Depreciation charge		9.6	7.3
Amortisation of intangible assets		0.3	–
Share of results of jointly controlled entities		(0.7)	–
Profit on disposal of property, plant and equipment		(0.7)	(0.4)
Share-based payment charge		5.3	2.0
Other non-cash items		(8.3)	(0.4)
Profit from operations before working capital movements		642.8	536.3
Movements in working capital:			
Decrease/(increase) in inventories		209.5	(191.4)
Decrease/(increase) in trade and other receivables		32.0	(8.5)
(Decrease)/increase in trade and other payables		(91.3)	10.2
Net cash from operations		793.0	346.6
Interest paid		(57.6)	(25.8)
Interest received		0.5	0.8
Tax paid		(146.8)	(144.5)
Net cash from operating activities		589.1	177.1
Cash flows from investing activities:			
Acquisition of subsidiary	25	(508.5)	(169.1)
Repayment of loan by jointly controlled entities		1.0	–
Purchase of property, plant and equipment		(9.6)	(11.1)
Proceeds from sale of property, plant and equipment		2.6	1.3
Net cash used in investing activities		(514.5)	(178.9)
Cash flows from financing activities:			
Repayment of borrowings		(265.8)	(26.2)
Drawdown of loan facilities		257.3	10.0
Finance lease principal payments		(1.5)	(1.2)
Exercise of share options		3.2	6.1
Dividends paid to Group shareholders		(59.6)	(58.6)
Net cash used in financing activities		(66.4)	(69.9)
Increase/(decrease) in net cash and cash equivalents	26	8.2	(71.7)
Net cash and cash equivalents at beginning of year		7.7	79.4
Net cash and cash equivalents at end of year	27	15.9	7.7