

# Cash flow statements

For the year ended 31 December 2006

	Notes	Group		Company	
		2006 £m	2005 £m	2006 £m	2005 £m
<b>Cash flows from operating activities</b>					
Cash generated from operations	35.1	<b>217</b>	167	<b>10</b>	(3)
Income taxes (paid)/received		<b>(24)</b>	(28)	<b>12</b>	18
<b>Net cash from operating activities</b>		<b>193</b>	139	<b>22</b>	15
<b>Cash flows from investing activities</b>					
Dividends received from joint ventures and associates		<b>24</b>	12	<b>13</b>	6
Dividends received from subsidiaries		–	–	<b>80</b>	57
Interest received		<b>29</b>	64	<b>21</b>	26
Acquisition of businesses, net of cash and cash equivalents acquired		<b>(80)</b>	(56)	–	–
Purchase of property, plant and equipment		<b>(57)</b>	(57)	–	–
Purchase of investments		<b>(8)</b>	–	<b>(35)</b>	–
Investment in and loans made to joint ventures and associates		<b>(22)</b>	(12)	–	(9)
Investment in and loans made to subsidiaries		–	–	<b>35</b>	(81)
Investment in financial assets		<b>(12)</b>	(21)	–	–
Disposal of businesses, net of cash and cash equivalents disposed		–	(15)	–	–
Disposal of property, plant and equipment		<b>9</b>	8	–	–
Disposal of investments		–	6	–	10
<b>Net cash (used in)/from investing activities</b>		<b>(117)</b>	(71)	<b>114</b>	9
<b>Cash flows from financing activities</b>					
Proceeds from issue of ordinary shares		<b>6</b>	6	<b>6</b>	6
Purchase of ordinary shares		<b>(3)</b>	(3)	<b>(3)</b>	(3)
Proceeds from new loans		<b>35</b>	6	<b>27</b>	–
Repayment of loans		<b>(27)</b>	(80)	<b>(27)</b>	(66)
Finance lease principal repayments		<b>(1)</b>	(2)	–	–
Buy-back of preference shares		<b>(19)</b>	(11)	<b>(19)</b>	(11)
Ordinary dividends paid		<b>(52)</b>	(28)	<b>(52)</b>	(28)
Interest paid		<b>(5)</b>	(27)	<b>(32)</b>	(29)
Premium paid on repayment of US Dollar term loan		–	(9)	–	(9)
Preference dividends paid		<b>(12)</b>	(13)	<b>(12)</b>	(13)
<b>Net cash used in financing activities</b>		<b>(78)</b>	(161)	<b>(112)</b>	(153)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(2)</b>	(93)	<b>24</b>	(129)
Effects of exchange rate changes		<b>(6)</b>	3	–	4
Cash and cash equivalents at beginning of year		<b>316</b>	406	<b>130</b>	255
Cash and cash equivalents at end of year	35.2	<b>308</b>	316	<b>154</b>	130