

Group cash flow information

Group cash flow statement		2003	2002
For the year ended 31st March 2003	Notes	£m	£m
Cash inflow from operating activities	23	582.3	722.4
Returns on investment and servicing of finance			
Interest paid		(16.1)	(58.6)
Interest received*		91.9	99.5
Dividends paid by subsidiaries to minority interests		(0.8)	(0.2)
		75.0	40.7
Taxation		(196.7)	(139.2)
Capital expenditure and financial investment			
Purchase of fixed assets		(145.8)	(172.1)
Disposal of fixed assets		118.6	62.2
Disposal of own shares		3.1	7.7
		(24.1)	(102.2)
Acquisitions and disposals	4	358.1	3.9
Equity dividends paid		(238.3)	(234.5)
Cash inflow before use of liquid resources and financing		556.3	291.1
Management of liquid resources			
Decrease/(increase) in short term deposits		15.8	(234.3)
Financing			
Capital element of finance lease rental agreements		(8.1)	(7.9)
Decrease in other borrowings		(37.9)	(12.1)
Cash outflow from change in borrowings and lease financing		(46.0)	(20.0)
Issue of ordinary share capital (net of expenses)		(0.3)	0.7
Repurchase of shares		(465.5)	(35.9)
		(511.8)	(55.2)
Increase in cash in the year		60.3	1.6

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

*Including exceptional interest received of £53.8m. In addition £46.8m was received in 2002 in relation to this item.

Reconciliation of net cash flow to movement in net debt		2003	2002
For the year ended 31st March 2003	Notes	£m	£m
Increase in cash in the year		60.3	1.6
Cash (inflow)/outflow from change in liquid resources	24	(15.8)	234.3
Cash outflow from change in borrowings and lease financing	24	46.0	20.0
Movement in net debt resulting from cash flows		90.5	255.9
Finance lease additions		(1.8)	(11.6)
Increase in value of investment in 10.125% bond 2017		5.8	21.9
Currency and other non-cash adjustments		0.3	(2.3)
Movement in net debt during the year		94.8	263.9
Opening net debt		(146.3)	(410.2)
Closing net debt	24	(51.5)	(146.3)

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