

Group cash flow statement

Year ended 31 March 2003

	2003 £m	2002 £m
Net cash inflow from operating activities	441.4	387.8
Dividends received from associated undertakings	2.5	2.7
Returns on investments and servicing of finance		
Interest received	7.3	9.1
Interest paid	(78.2)	(73.0)
Interest element of finance lease rental payments	(11.2)	(19.8)
Net cash outflow from returns on investments and servicing of finance	(82.1)	(83.7)
Taxation	(34.4)	(15.1)
Capital expenditure and financial investment		
Purchase of tangible fixed assets (excluding assets financed by leases)	(389.6)	(323.6)
Capital grants and contributions	19.6	32.8
Proceeds from sale of tangible fixed assets	0.5	0.5
Proceeds from sale of land (US)	-	57.2
Loans to associates	(2.6)	(3.3)
Net cash outflow for capital expenditure and financial investment	(372.1)	(236.4)
Acquisitions and disposals		
Payments relating to acquisitions of subsidiary undertakings	(78.0)	-
Net cash acquired with subsidiary undertakings	1.6	-
Purchase of associated undertakings and joint ventures	-	(1.3)
Proceeds (costs) arising from sales of operations	0.5	(0.6)
Purchase of intangibles	(0.4)	-
Net cash outflow for acquisitions and disposals	(76.3)	(1.9)
Equity dividends paid	(99.0)	(96.3)
Net cash (outflow) inflow from management of liquid resources	(189.8)	9.0
Financing		
Proceeds from transfer of QUEST ordinary shares to option holders	3.9	0.6
Increase in short term borrowings	0.4	12.5
Increase in long term borrowings	347.5	84.5
Capital element of finance lease rental payments	(4.2)	(5.7)
Net cash inflow from financing	347.6	91.9
(Decrease) increase in cash in the year	(62.2)	58.0