

# Cash Flow Statement

for the year to 31 October 2006

	Notes	2006 £'000	2005 (restated) £'000
<b>Net Cash Inflow from Operating Activities</b>		18,581	23,361
<b>Servicing of Finance</b>			
Premium on repayment of borrowings	13	(8,778)	(1,116)
Tender offer expenses		(959)	–
Interest paid		(7,157)	(8,766)
Net cash outflow from servicing of finance		(16,894)	(9,882)
<b>Taxation</b>			
Overseas tax recovered		135	1,029
Net cash inflow from taxation		135	1,029
<b>Investing Activities</b>			
Purchases of investments		(238,312)	(394,955)
Disposals of investments		554,687	408,927
Net cash inflow from investing activities		316,375	13,972
Equity dividends paid		(15,105)	(17,235)
Net cash inflow before use of liquid resources and financing		303,092	11,245
<b>Management of Liquid Resources</b>			
Increase/(Decrease) in current asset investments and short term deposits	16	22,000	(8,000)
<b>Financing</b>			
Repayment of secured bonds	13,16	(41,985)	–
Stock buybacks	14	(288,235)	–
Net cash outflow from financing		(330,220)	–
<b>(Decrease)/Increase in Cash</b>	16	(5,128)	3,245
<b>Reconciliation of Net Revenue before Finance Costs and Taxation to Net Cash Inflow from Operating Activities</b>			
Net revenue before finance costs and taxation		21,110	27,572
Expenses charged to capital		(1,836)	(2,171)
Scrip dividends		(106)	(146)
Decrease in accrued income		416	266
(Decrease)/Increase in other creditors		(85)	42
Decrease/(Increase) in other debtors		44	(71)
Adjustment for pension funding		133	138
Tax on investment income		(1,095)	(2,269)
<b>Net Cash Inflow from Operating Activities</b>		18,581	23,361

The accompanying notes are an integral part of this statement.