For the year ended 31 March 2004

Increase in creditors 10.9 Net cash inflow from operating activities 134.8 Net cash inflow from operating activities 134.8 Net cash inflow from operating activities 134.8 Returns on investments and servicing of finance 32 (1.3) Taxation (31.3) Capital expenditure and financial investment 32 (19.2) Free cash flow 33.0 Equity dividends paid 9 (75.4) Cash inflow (outflow) before use of liquid resources and financing 7.6 Management of liquid resources 32 (41.6) Financing 32 (41.6) Increase (decrease) in cash in the year 8.1 Reconciliation of net cash flow to movement in net debt Increase (decrease) in cash flow to movement in net debt Increase (decrease) in cash in the year 8.1 Change in net debt relating to cash flows 7.7 Taraslation differences 4.7 Decrease in net debt for the year 12.4 Net debt at the beginning of the year 12.4 N	NO	2004 E £ M	2003 £M
Operating profit 98.1 Amort isation of goodwill 10.2 Decreaciation and other amortisation 23.0 Decrease in stocks 1.0 Increase in debtors [8.4] Net cash inflow from operating activities 134.8 Cash flow statement ************************************	rating profit to net cash inflow from operating activities		
Amortisation of goodwill 10.2 Depreciation and other amortisation 23.0 Decrease in stocks 1.0 Increase in debtors (8.4) Increase in creditors 10.9 Net cash inflow from operating activities 134.8 Cash flow statement 2 Net cash inflow from operating activities 134.8 Returns on investments and servicing of finance 2 (1.3) Inapplies of the servicing of finance 32 (2.5) Inapplies of the servicing of finance 32 (2.5) Increase in cash inflow (outflow) before use of liquid resources and financing 32 (4.1.6) Increase (decrease) in cash in the year 8.1 8.1		98.1	90.8
Depreciation and other amortisation 23.0 Decrease in stocks 1.0 Increase in debtors (8.4) Increase in creditors 10.9 Net cash inflow from operating activities 134.8 Cash flow statement 2 Net cash inflow from operating activities 134.8 Returns on investments and servicing of finance 2 [1.3] Izaxition (31.3) [31.3] Capital expenditure and financial investment 32 [19.2] Free cash flow 83.0 [75.4] Cash inflow (outflow) before use of liquid resources and financing 76 76 Management of liquid resources 32 (41.6) Financing 32 42.0 Increase (decrease) in cash in the year 8.1 Reconciliation of net cash flow to movement in net debt 8.1 Increase (decrease) in cash 8.1 Management of liquid resources 4.1 Increase (decrease) in cash flow to movement in net debt 8.1 Increase (decrease) in cash flow to movement in net debt 8.1 Management of liquid r		10.2	11.3
Second S		23.0	19.1
Net cash inflow from operating activities 134.8 Returns on investments and servicing of finance 22		1.0	2.7
Net cash inflow from operating activities 134.8 Cash flow statement 134.8 Net cash inflow from operating activities 134.8 Returns on investments and servicing of finance 32 [1.3] Iaxation (31.3) (31.3) Capital expenditure and financial investment 32 [19.2] Free cash flow 83.0 9 [75.4] Cash inflow (outflow) before use of liquid resources and financing 7.6 41.6 Management of liquid resources 32 41.6 Financing 32 42.0 Shares 32 0.1 Loans 32 42.0 Increase (decrease) in cash in the year 8.1 Reconciliation of net cash flow to movement in net debt 8.1 Increase (decrease) in cash 8.1 Management of liquid resources 41.6 Financing – loans 42.0 Change in net debt relating to cash flows 7.7 Translation differences 4.7 Decrease in net debt for the year 12.4 Net debt at the beginning of the year (46.9)		(8.4)	(0.2)
Cash flow statement 134.8 Returns on investments and servicing of finance 2		10.9	9.9
Net cash inflow from operating activities 134.8 Returns on investments and servicing of finance 32 (1.3) Taxation (31.3) (2) (19.2) Free cash flow 83.0 (2) (75.4) Cash finflow (outflow) before use of liquid resources and financing 7.6 (41.6) Management of liquid resources 32 (41.6) Financing 32 (41.6) Shares 32 0.1 Loans 32 42.0 Increase (decrease) in cash in the year 8.1 Reconciliation of net cash flow to movement in net debt 8.1 Increase (decrease) in cash 8.1 Management of liquid resources 41.6 Financing – loans (42.0) Change in net debt relating to cash flows 7.7 Translation differences 4.7 Decrease in net debt for the year 12.4 Net debt at the beginning of the year (45.9)	operating activities	134.8	133.6
Returns on investments and servicing of finance 32 (1.3) Taxation (31.3) Capital expenditure and financial investment 32 (19.2) Free cash flow 83.0 Equity dividends paid 9 (75.4) Cash inflow (outflow) before use of liquid resources and financing 7.6 Management of liquid resources 32 (41.6) Financing 32 0.1 Loans 32 42.0 Increase (decrease) in cash in the year 8.1 Reconciliation of net cash flow to movement in net debt 8.1 Management of liquid resources 41.6 Management of liquid resources 41.6 Financing – loans (42.0) Change in net debt relating to cash flows 7.7 Translation differences 4.7 Decrease in net debt for the year 12.4 Net debt at the beginning of the year (46.9)			
Taxation [31.3] Capital expenditure and financial investment 32 [19.2] Free cash flow 83.0 Equity dividends paid 9 [75.4] Cash inflow (outflow) before use of liquid resources and financing 7.6 Management of liquid resources 32 [41.6] Financing 32 0.1 Loans 32 0.1 Loans 32 42.0 Increase (decrease) in cash in the year 8.1 Reconciliation of net cash flow to movement in net debt 8.1 Management of liquid resources 41.6 Financing – loans (42.0) Change in net debt relating to cash flows 7.7 Translation differences 4.7 Decrease in net debt for the year 12.4 Net debt at the beginning of the year (46.9)	pperating activities	134.8	133.6
Capital expenditure and financial investment 32 (19.2) Free cash flow 83.0 Equity dividends paid 9 (75.4) Cash inflow (outflow) before use of liquid resources and financing 7.6 Management of liquid resources 32 (41.6) Financing 32 0.1 Shares 32 0.1 Loans 32 42.0 Increase (decrease) in cash in the year 8.1 Reconcilitation of net cash flow to movement in net debt 8.1 Increase (decrease) in cash 8.1 Management of liquid resources 41.6 Financing – loans (42.0) Change in net debt relating to cash flows 7.7 Translation differences 4.7 Decrease in net debt for the year 12.4 Net debt at the beginning of the year (46.9)	s and servicing of finance	2 (1.3)	[1.2]
Free cash flow 83.0 Equity dividends paid 9 (75.4) Cash inflow (outflow) before use of liquid resources and financing 7.6 Management of liquid resources 32 (41.6) Financing 32 0.1 Shares 32 0.1 Loans 32 42.0 Increase (decrease) in cash in the year 8.1 Reconcilitation of net cash flow to movement in net debt 8.1 Increase (decrease) in cash 8.1 Management of liquid resources 41.6 Financing – loans (42.0) Change in net debt relating to cash flows 7.7 Translation differences 4.7 Decrease in net debt for the year 12.4 Net debt at the beginning of the year (46.9)		(31.3)	(31.5)
Equity dividends paid 9 (75.4) Cash inflow (outflow) before use of liquid resources and financing Management of liquid resources 32 (41.6) Financing Shares 32 0.1 Loans 32 42.0 Increase (decrease) in cash in the year 8.1 Reconciliation of net cash flow to movement in net debt Increase (decrease) in cash Management of liquid resources 41.6 Financing – loans (42.0) Change in net debt relating to cash flows Translation differences 4.7 Translation differences 4.7 Decrease in net debt for the year 12.4 Net debt at the beginning of the year (46.9)	I financial investment	2 (19.2)	(32.7)
Cash inflow (outflow) before use of liquid resources and financing Annagement of liquid resources Financing Shares Loans Shares Loans Shares Loans Shares Beconciliation of net cash in the year Reconciliation of net cash flow to movement in net debt Increase (decrease) in cash Management of liquid resources Financing – loans Change in net debt relating to cash flows Firanslation differences Decrease in net debt for the year Loans Reconciliation of net cash flow to movement in net debt 8.1 8.1 8.2 8.3 8.3 8.4 8.4 8.5 8.6 8.7 8.7 8.7 8.9 8.9 8.1 8.1 8.1 8.1 8.1 8.1		83.0	68.2
Management of liquid resources Financing Shares Loans Increase (decrease) in cash in the year Reconciliation of net cash flow to movement in net debt Increase (decrease) in cash Management of liquid resources Financing – loans Change in net debt relating to cash flows Translation differences Decrease in net debt for the year Net debt at the beginning of the year (41.6) (41.6) (41.6) (41.6) (41.6) (41.6) (42.0) (42.0) (42.0) (42.0) (43.0) (43.0) (44.0) (44.0) (45.9)		9 (75.4)	(70.6)
Financing Shares Loans Increase (decrease) in cash in the year Reconciliation of net cash flow to movement in net debt Increase (decrease) in cash Management of liquid resources Financing – loans Change in net debt relating to cash flows Translation differences Decrease in net debt for the year Net debt at the beginning of the year 12.4	before use of liquid resources and financing	7.6	(2.4)
Shares Loans Increase (decrease) in cash in the year Reconciliation of net cash flow to movement in net debt Increase (decrease) in cash Management of liquid resources Financing – loans Change in net debt relating to cash flows Translation differences Decrease in net debt for the year Net debt at the beginning of the year 12.4	esources	(41.6)	(5.1)
Loans Increase (decrease) in cash in the year Reconciliation of net cash flow to movement in net debt Increase (decrease) in cash Management of liquid resources Financing – loans Change in net debt relating to cash flows Translation differences Decrease in net debt for the year Net debt at the beginning of the year 12.4			
Reconciliation of net cash flow to movement in net debt Increase (decrease) in cash Management of liquid resources Financing — loans Change in net debt relating to cash flows Translation differences Decrease in net debt for the year Net debt at the beginning of the year 8.1 8.1 8.1 6.1 8.1 8.1 8.1 8.1		2 0.1	0.5
Reconciliation of net cash flow to movement in net debt Increase (decrease) in cash Management of liquid resources Financing — loans Change in net debt relating to cash flows Translation differences Decrease in net debt for the year Net debt at the beginning of the year (46.9)		2 42.0	3.9
Increase (decrease) in cash Management of liquid resources Financing – loans Change in net debt relating to cash flows Translation differences Decrease in net debt for the year Net debt at the beginning of the year 8.1 41.6 42.0) 12.4 12.4	n cash in the year	8.1	(3.1)
Management of liquid resources 41.6 Financing – loans Change in net debt relating to cash flows Translation differences Decrease in net debt for the year Net debt at the beginning of the year 41.6 42.0 42.0 42.0 43.0 44.7 44.7	cash flow to movement in net debt		
Financing – loans Change in net debt relating to cash flows 7.7 Translation differences 4.7 Decrease in net debt for the year Net debt at the beginning of the year (46.9)	cash	8.1	(3.1)
Change in net debt relating to cash flows 7.7 Translation differences 4.7 Decrease in net debt for the year 12.4 Net debt at the beginning of the year (46.9)	esources	41.6	5.1
Translation differences Decrease in net debt for the year Net debt at the beginning of the year (46.9)		(42.0)	(3.9)
Decrease in net debt for the year 12.4 Net debt at the beginning of the year (46.9)	lating to cash flows	7.7	(1.9)
Net debt at the beginning of the year (46.9)		4.7	8.0
	for the year	12.4	6.1
Net debt at the end of the year 33 (34.5)	ning of the year	(46.9)	(53.0)
	the year	3 (34.5)	(46.9)

The notes on pages 41 to 56 form part of these accounts.