

# Consolidated cash flow statement

for the year to 31 March 2004

	Notes	2004 £m	2003 £m
<b>Operating activities</b>			
Interest received and similar income arising from debt securities and other fixed income securities held as financial fixed asset investments		66	75
Other interest received and similar income		35	31
Interest paid on borrowings		(59)	(58)
Dividends received from equity shares		93	102
Fees and other net cash receipts		41	46
Operating and administrative costs paid		(86)	(68)
<b>Net cash inflow from operating activities</b>	43	<b>90</b>	<b>128</b>
<b>Taxation (paid)/received</b>			
		(2)	4
<b>Capital expenditure and financial investment</b>			
Investment in equity shares, fixed income shares and loans		(756)	(673)
Investment in equity shares and loans acquired from joint ventures		–	(17)
Sale, repayment or redemption of equity shares, fixed income shares and loan investments		913	975
Fees intrinsic to acquisition or disposal of investments		5	10
Investment interest paid		(42)	(53)
Investment administrative expenses		(91)	(94)
Investment in joint ventures		(25)	(54)
Divestment or repayment of interests in joint ventures		25	19
Purchase of tangible fixed assets		(2)	(5)
Sale of tangible fixed assets		1	1
<b>Net cash flow from capital expenditure and financial investment</b>		<b>28</b>	<b>109</b>
<b>Equity dividends paid</b>			
		(83)	(78)
<b>Management of liquid resources</b>			
	47	(15)	15
<b>Net cash flow before financing</b>		<b>18</b>	<b>178</b>
<b>Financing</b>			
Debt due within one year	46	(232)	(104)
Debt due after more than one year	46	200	(32)
Issues of shares	44	12	7
<b>Net cash flow from financing</b>		<b>(20)</b>	<b>(129)</b>
<b>(Decrease)/increase in cash</b>	46	<b>(2)</b>	<b>49</b>