

Notes to the group cash flow statement

Year ended 31 March 2003

Reconciliation of operating profit to net cash inflow from operating activities	2003 £m	2002 £m
Group operating profit	265.3	245.0
Depreciation	144.8	142.4
Goodwill amortisation	1.0	1.1
Release of grants and contributions	(3.3)	(3.4)
Exchange rate and other adjustments	23.7	(2.5)
Decrease in stocks	-	0.9
Decrease (increase) in debtors	19.9	(1.2)
(Decrease) increase in creditors	(10.0)	5.5
Net cash inflow from operating activities	441.4	387.8

Reconciliation of increase in cash to movement in net debt	2003 £m	2002 £m
(Decrease) increase in cash in the year	(62.2)	58.0
Cash outflow (inflow) from increase (decrease) in liquid resources	189.8	(9.0)
Cash inflow from increase in debt and lease financing	(343.7)	(91.3)
Change in net debt resulting from cash flows	(216.1)	(42.3)
Net loans and finance leases acquired with subsidiary undertakings	(82.0)	-
Exchange and other non cash adjustments	14.2	0.9
Movement in net debt in the year	(283.9)	(41.4)
Opening net debt	(1,436.5)	(1,395.1)
Closing net debt	(1,720.4)	(1,436.5)

Analysis of movement in net debt

	At 1 April 2002 £m	Cash flow £m	Acquisitions £m	Currency translation £m	At 31 March 2003 £m
Cash	62.6	(57.3)	-	-	5.3
Short term deposits	123.9	170.3	-	-	294.2
Commercial paper	9.0	19.5	-	-	28.5
	195.5	132.5	-	-	328.0
Overdrafts	-	(4.9)	-	-	(4.9)
Debt due within one year	(32.7)	(0.3)	-	-	(33.0)
Finance leases due within one year	(4.2)	(2.3)	-	-	(6.5)
	(36.9)	(7.5)	-	-	(44.4)
Debt due after one year	(1,118.1)	(347.6)	(82.0)	14.2	(1,533.5)
Finance leases due after one year	(477.0)	6.5	-	-	(470.5)
	(1,595.1)	(341.1)	(82.0)	14.2	(2,004.0)
Net debt	(1,436.5)	(216.1)	(82.0)	14.2	(1,720.4)