

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2017

	2017 £m	2016 £m
Operating activities		
Profit for the period	113.9	58.5
Adjustments for:		
Depreciation	30.6	29.5
Amortisation	7.3	7.9
Net financing costs	22.5	20.0
Profit on disposal of business	(45.7)	-
Share of profit from associate (net of income tax)	(0.2)	(0.6)
Profit on sale of property, plant and equipment	0.1	(0.4)
Income tax expense	21.9	29.4
Non-cash specific adjusting items included in operating profit	-	1.1
Equity-settled share-based payment expenses	1.7	0.8
Cash generated from operations before changes in working capital and provisions	152.1	146.2
(Increase)/decrease in trade and other receivables	(0.3)	(6.1)
(Increase)/decrease in inventories	(4.7)	1.4
Increase/(decrease) in trade and other payables	6.3	(0.1)
Increase/(decrease) in provisions	(3.0)	(5.2)
Payments to defined benefit pension plans	(48.9)	(14.5)
Cash generated from operations	101.5	121.7
Interest paid	(17.6)	(15.3)
Income tax paid	(24.5)	(22.2)
Net cash from operating activities	59.4	84.2
Investing activities		
Purchase of property, plant and equipment	(34.4)	(39.5)
Forward contracts used in net investment hedging	(7.7)	(12.3)
Purchase of investments	(1.6)	(1.0)
Proceeds from sale of property, plant and equipment	1.3	1.1
Loan repaid by associate	-	2.1
Interest received	1.0	2.2
Disposal of subsidiaries, net of cash disposed	78.1	-
Purchase of the stake held by non-controlling interest	(1.5)	-
Net cash from investing activities	35.2	(47.4)
Financing activities		
Purchase of own shares for share incentive schemes	(0.4)	(0.2)
Net increase/(decrease) in borrowings	(114.1)	63.4
Payment of finance lease liabilities	(0.3)	(0.3)
Dividends paid - to external plc shareholders	(31.4)	(31.4)
Proceeds from unclaimed dividends	-	0.2
Dividends paid to non-controlling interests	(9.8)	(4.4)
Net cash from financing activities	(156.0)	27.3
Net increase in cash and cash equivalents	(61.4)	64.1
Cash and cash equivalents at start of period	122.4	49.8
Effect of exchange rate fluctuations on cash held	(10.6)	8.5
Cash and cash equivalents at period end ¹⁶	50.4	122.4

A reconciliation of cash and cash equivalents to net borrowings is shown in note 16.