

Consolidated Statement of Cash Flows

For the year ended 31 December 2018

	Notes	2018 £m	2017 £m
Cash flows from operating activities			
Profit for the year		34.3	27.5
Adjustments for:			
Taxation		3.6	13.3
Depreciation		7.2	10.3
Impairment losses on property, plant and equipment		–	0.2
Amortisation of intangible assets		10.6	12.2
Write-off of intangible assets		0.6	–
Net gain on disposal of property, plant and equipment and software		(0.2)	(0.7)
Fair value losses/(gains) on derivative financial instruments		0.2	(0.6)
Foreign exchange losses		0.3	–
Share-based payment charge		3.1	2.2
Earnout charges		1.4	4.1
Profit on disposal of businesses, before tax		–	(15.0)
Net finance expense		2.3	2.8
Operating profit before changes in working capital and provisions		63.4	56.3
Increase in inventories		(0.8)	(9.9)
Increase in receivables		(0.5)	(5.6)
(Decrease)/increase in payables		(4.3)	6.1
(Decrease)/increase in provisions		(3.8)	1.8
Cash generated from operating activities		54.0	48.7
Interest paid		(2.5)	(2.6)
Tax paid		(4.1)	(11.0)
Net cash from operating activities		47.4	35.1
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment and software		0.5	3.5
Purchase of property, plant and equipment		(8.4)	(10.8)
Capitalisation of software and development costs		(6.0)	(4.3)
Acquisition of businesses, net of cash acquired		(51.8)	(12.4)
Cash inflow on previous disposal	3.5	0.5	32.4
Net cash (used in)/from investing activities		(65.2)	8.4
Cash flows from financing activities			
Proceeds from the issue of shares		1.9	1.4
Own shares purchased		(3.7)	(3.5)
Repayment of interest-bearing loans and borrowings		(101.7)	(144.5)
Borrowings from interest-bearing loans and borrowings		138.1	110.7
Dividends paid		(14.1)	(12.4)
Net cash used in financing activities		20.5	(48.3)
Increase/(decrease) in cash and cash equivalents	4.1	2.7	(4.8)
Cash and cash equivalents at 1 January		12.6	16.8
Effect of exchange rate fluctuations on cash held		(0.2)	0.6
Cash and cash equivalents at 31 December		15.1	12.6