# Condensed Consolidated Cash Flow Statement

Six months ended 30 September 2012 (unaudited)

| | Note | Six months ended 30 September 2012 (unaudited) £000 | Six months ended 30 September 2011 (unaudited) £000 | Year ended 31 March 2012 (audited) £000 |
|---|---|---|---|---|
| Operating profit/(loss) | | **31,283** | 19,974 | (15,805) |
| (Gain)/loss on the revaluation of investment properties | | **(11,521)** | (2,631) | 51,381 |
| (Gains)/losses on surplus land | | **(183)** | 1 | (497) |
| Depreciation | | **295** | 280 | 550 |
| Depreciation of finance lease obligations | | **443** | 454 | 853 |
| Employee share options | | **757** | 803 | 1,532 |
| (Increase)/decrease in inventories | | **(27)** | (19) | 20 |
| Decrease in receivables | | **2,032** | 4,126 | 887 |
| Increase/(decrease) in payables | | **355** | (3,779) | (44) |
| **Cash generated from operations** | | **23,434** | 19,209 | 38,877 |
| Interest paid | | **(7,558)** | (5,729) | (11,508) |
| Payments to cancel interest rate derivatives | | **(9,173)** | – | – |
| Interest received | | **14** | 5 | 19 |
| **Cash flows from operating activities** | | **6,717** | 13,485 | 27,388 |
| **Investing activities** | | | | |
| Disposal of surplus land | | **12,335** | 912 | 5,404 |
| Additions to non-current assets | | **(4,093)** | (9,627) | (18,130) |
| Additions to surplus land | | **(2,504)** | (1,788) | (4,647) |
| Investment in associate | | **(1,000)** | (1,000) | (1,167) |
| **Cash flows from investing activities** | | **4,738** | (11,503) | (18,540) |
| **Financing activities** | | | | |
| Issue of share capital | | **976** | 34 | 61 |
| Payment of finance lease liabilities | | **(443)** | (454) | (853) |
| Purchase of own shares | | **–** | (3,727) | (3,727) |
| Equity dividends paid | | **(7,057)** | (6,460) | (12,223) |
| (Decrease)/increase in borrowings | | **(6,761)** | 9,000 | 9,000 |
| **Cash flows from financing activities** | | **(13,285)** | (1,607) | (7,742) |
| **Net (decrease)/increase in cash and cash equivalents** | *A* | **(1,830)** | 375 | 1,106 |
| **Opening cash and cash equivalents** | | **10,060** | 8,954 | 8,954 |
| **Closing cash and cash equivalents** | | **8,230** | 9,329 | 10,060 |

## A. Reconciliation of Net Cash Flow to Movement in Net Debt

Six months ended 30 September 2012

| | Six months ended 30 September 2012 (unaudited) £000 | Six months ended 30 September 2011 (unaudited) £000 | Year ended 31 March 2012 (audited) £000 |
|---|---|---|---|
| Net (decrease)/increase in cash and cash equivalents | **(1,830)** | 375 | 1,106 |
| Cash flow from movement in debt financing | **6,761** | (9,000) | (9,000) |
| Change in net debt resulting from cash flows | **4,931** | (8,625) | (7,894) |
| **Movement in net debt in the period** | **4,931** | (8,625) | (7,894) |
| Net debt at start of period | **(273,940)** | (266,046) | (266,046) |
| **Net debt at end of period** | **(269,009)** | (274,671) | (273,940) |

Net debt is defined as gross bank borrowings less cash and cash equivalents.