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.