

Notes to the financial statements continued

27 Reconciliation of operating profit to operating cash flows

	2002 £'000	2001 £'000
Operating profit	10,410	10,148
Loss on disposal of fixed assets	405	73
Depreciation charges	13,373	13,117
Amortisation charges	113	–
Non-cash movements in provisions	(443)	(584)
Operating cash flows before working capital movements	23,858	22,754
Cash flows relating to previous years provisions	(33)	(107)
(Increase)/decrease in stocks	(853)	3,781
Increase in debtors	(1,674)	(1,413)
Decrease in creditors	(138)	(3,898)
Net cash inflow from operating activities	21,160	21,117

28 Analysis of cash flows for headings netted in the cash flow statement

	2002 £'000	2001 £'000
Returns on investment and servicing of finance		
Interest received	364	228
Interest paid	(3,288)	(3,810)
Interest element of finance lease rental payments	(565)	(573)
Net cash outflow for returns on investments and servicing of finance	(3,489)	(4,155)

	2002 £'000	2001 £'000
Taxation		
UK corporation tax paid	(2,387)	(733)
Overseas taxation paid	–	(9)
UK corporation tax repaid	2,894	1,644
Net cash inflow from taxation	507	902

	2002 £'000	2001 £'000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(2,048)	(2,229)
Sale of tangible fixed assets	569	642
Net cash outflow for capital expenditure	(1,479)	(1,587)
Purchase of own shares	(1,275)	–
Net cash outflow for capital expenditure and financial investment	(2,754)	(1,587)

	2002 £'000	2001 £'000
Management of liquid resources		
Repayment of money on deposit	–	264
Money placed on deposit	(2,292)	–
Net cash (outflow)/inflow from management of liquid resources	(2,292)	264

	2002 £'000	2001 £'000
Financing		
Issue of ordinary share capital	1	–
Repayment of US\$ Loan Notes due within one year	(7,915)	–
Repayment of short-term borrowings due within one year	–	(8,350)
Capital element of finance lease rental payments	(2,837)	(2,366)
Net cash outflow from financing	(10,751)	(10,716)

29 Analysis of net debt

	At 30 June 2001 £'000	Cash flow £'000	Other non-cash changes £'000	Exchange movement £'000	At 29 June 2002 £'000
Group: For the 52 weeks ended 29 June 2002					
Cash at bank and in hand	3,275	(2,105)	–	58	1,228
Debt due within one year	(7,915)	7,915	(7,915)	–	(7,915)
Debt due after one year	(31,659)	–	7,915	–	(23,744)
Finance leases	(8,216)	2,837	(3,675)	–	(9,054)
	(47,790)	10,752	(3,675)	–	(40,713)
Cash on deposit	–	2,292	–	–	2,292
Total net debt	(44,515)	10,939	(3,675)	58	(37,193)

	At 24 June 2000 £'000	Cash flow £'000	Other non-cash changes £'000	Exchange movement £'000	At 30 June 2001 £'000
Group: For the 53 weeks ended 30 June 2001					
Cash at bank and in hand	1,801	1,333	–	141	3,275
Debt due within one year	(8,350)	8,350	(7,915)	–	(7,915)
Debt due after one year	(39,574)	–	7,915	–	(31,659)
Finance leases	(6,414)	2,366	(4,168)	–	(8,216)
	(54,338)	10,716	(4,168)	–	(47,790)
Cash on deposit	264	(264)	–	–	–
Total net debt	(52,273)	11,785	(4,168)	141	(44,515)

Major non-cash transactions

During the period the Group entered into finance lease agreements in respect of various fittings, plant and equipment with capital values at the inception of the leases of £3,675,000 (2001: £4,168,000).

30 Capital Commitments

	Group and Company 2002 £'000	Group and Company 2001 £'000
Contracted but not provided, analysed as:		
Manufacturing projects	604	41
Systems projects	81	477
Total contracted but not provided	685	518

31 Operating lease commitments

	Group 2002 £'000	Group 2001 £'000	Company 2002 £'000	Company 2001 £'000
Annual obligations under operating leases expiring:				
Within one year:				
– Land and buildings	1,815	2,335	1,815	2,335
– Other	118	199	118	199
In two to five years:				
– Land and buildings	3,294	2,233	3,294	2,233
– Other	427	323	427	323
After more than five years:				
– Land and buildings	12,519	13,139	12,464	13,084
Annual obligations under operating leases	18,173	18,229	18,118	18,174