

Cash flow statement

for the year to 31 March 2007

	Group 2007 £m	Group 2006 £m	Company 2007 £m	Company 2006 £m
Cash flow from operating activities				
Purchase of investments	(1,503)	(1,068)	(1,693)	(873)
Proceeds from investments	2,364	2,213	2,458	1,949
Interest received	68	67	47	42
Dividends received	66	76	30	70
Portfolio fees received	17	22	–	13
Fees received from external funds	37	24	–	–
Carried interest received	76	9	76	9
Carried interest paid	(58)	(30)	–	–
Operating expenses	(202)	(216)	(114)	(182)
Income tax paid	(8)	(8)	–	(5)
Net cash flow from operations	857	1,089	804	1,023
Cash flow from financing activities				
Proceeds from issues of share capital	18	13	18	13
Buy-back of ordinary shares	(74)	(222)	(74)	(222)
Purchase of own shares	(20)	–	–	–
Disposal of own shares	8	–	–	–
Repurchase of B shares	(689)	–	(689)	–
Dividend paid	(79)	(331)	(79)	(331)
Interest received	80	50	73	46
Interest paid	(101)	(60)	(81)	(38)
Proceeds from long-term borrowings	1	69	–	92
Repayment of long-term borrowings	(2)	(54)	–	–
Net cash flow from short-term borrowings	211	188	213	156
Net cash flow from deposits	(560)	(223)	(616)	(261)
Net cash flow from financing activities	(1,207)	(570)	(1,235)	(545)
Cash flow from investing activities				
Purchases of property, plant and equipment	(9)	(15)	–	–
Sales of property, plant and equipment	2	24	1	17
Divestment from joint venture	–	2	–	2
Net cash flow from investing activities	(7)	11	1	19
Change in cash and cash equivalents	(357)	530	(430)	497
Cash and cash equivalents at start of year	847	314	776	279
Effect of exchange rate fluctuations	(4)	3	–	–
Cash and cash equivalents at end of year	486	847	346	776

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Directors' remuneration report

Auditor's report

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Information for shareholders