

Consolidated Statement of Cash Flows

For the year ended 31 December 2023

	Notes	2023 £m	2022 £m
Cash flows from operating activities			
(Loss)/profit for the year		(78.1)	32.9
Adjustments for:			
Net finance expense		14.5	6.8
Taxation		(2.6)	(8.2)
Depreciation		14.4	15.3
Impairment of fixed assets	3.1/3.2	53.8	1.9
Amortisation of intangible assets		14.0	18.3
Net loss on disposal of property, plant and equipment		0.3	-
Fair value (gains)/losses on derivative financial instruments		(0.2)	0.1
Foreign exchange losses		-	0.6
Share-based payment charge		1.5	8.9
Earnout charges and retention bonuses		1.7	4.5
Loss on disposal of business before tax		1.0	-
Cash generated from operating activities before changes in working capital, including provisions		20.3	81.1
Decrease/(increase) in inventories		7.6	(8.0)
Decrease/(increase) in trade debtors		16.3	(6.8)
Decrease in other debtors and contract assets		0.7	1.8
(Decrease)/increase in trade creditors		(20.5)	1.3
Decrease in other creditors and contract liabilities		(12.3)	(6.9)
(Decrease)/increase in provisions		(2.3)	2.8
Cash generated from operating activities		9.8	65.3
Interest paid ¹		(15.4)	(9.4)
Tax paid		(10.5)	(7.2)
Net cash (used in)/from operating activities		(16.1)	48.7
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment and software		0.2	-
Purchase of property, plant and equipment		(4.8)	(7.1)
Capitalisation of software and development costs		(13.7)	(13.1)
Acquisition of businesses, net of cash acquired	3.7	(1.6)	(33.2)
Disposal of business	3.4	(0.9)	-
Net cash used in investing activities		(20.8)	(53.4)
Cash flows from financing activities			
Proceeds from the issue of shares, net of costs		118.1	1.3
Proceeds from the sale of own shares		1.2	3.1
Own shares purchased		(3.7)	(5.8)
Principal lease repayments ¹		(6.7)	(6.4)
Repayment of interest-bearing loans and borrowings		(313.9)	(93.8)
Borrowings from interest-bearing loans and borrowings		240.0	130.3
Dividends paid		(11.6)	(18.0)
Net cash from financing activities		23.4	10.7
(Decrease)/increase in cash and cash equivalents	4.1	(13.5)	6.0
Cash and cash equivalents at 1 January		15.8	7.9
Effect of exchange rate fluctuations on cash held		2.4	1.9
Cash and cash equivalents and overdrafts at 31 December		4.7	15.8

¹ Total cash outflow for leases is £8.2 million (2022: £7.9 million) of which £1.5 million (2022: £1.5 million) relates to interest and £6.7 million (2022: £6.4 million) to principal lease repayments.