

Consolidated cash flow statement for the year ended 31 March 2003

	2003 \$'000	2002 \$'000 (i)
Net cash inflow from operating activities	5,072	2,197
Returns on investments and servicing of finance		
Interest received	97	13
Interest paid	(133)	(118)
Net cash outflow from returns on investments and servicing of finance	(36)	(105)
Taxation		
Corporation tax paid	(25)	(3)
	(25)	(3)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(611)	(788)
Sale of Hygiene Monitoring division	-	175
Net cash outflow from capital expenditure and financial investment	(611)	(613)
Cash inflow before financing	4,400	1,476
24 Management of liquid resources		
Purchase of short-term investments	(4,896)	-
Financing		
Repayment of principal under finance leases	(215)	(181)
Net cash outflow from financing	(215)	(181)
(Decrease)/increase in cash in the year	(711)	1,295

(i) The comparative figures have been translated into US\$ at a rate of \$1.4241/£. See note 1.

	2003	2002
	\$'000	\$'000
Reconciliation of operating profit/(loss) to net cash inflow from operating activities		
Operating profit/(loss) before costs of fundamental reorganisation	3,976	(1,476)
Depreciation of tangible fixed assets	1,156	1,203
Movement in provision for reduction in valuation of shares held by ESOT	(5)	1
Amortisation of intangible assets	101	124
Loss on disposal of intangible fixed assets	-	407
Loss on disposal of tangible fixed assets	6	387
Decrease in debtors	185	6,146
Decrease in stocks	532	73
Increase/(decrease) in creditors	83	(1,401)
Costs of fundamental reorganisation provided - provision expended	(962)	(3,267)
Net cash inflow from continuing operating activities	5,072	2,197

	2003	2002
	\$'000	\$'000
Reconciliation of net cash flow to movement in net funds		
(Decrease)/increase in cash in the year	(711)	1,295
Purchase of short-term investments	4,896	-
Repayment of finance lease obligation	215	181
Changes in net funds resulting from cashflows	4,400	1,476
New finance leases	(68)	(222)
Exchange adjustment	28	1
Movement in net funds in the year	4,360	1,255
Net funds at beginning of the year	1,743	488
Funds at end of the year	6,103	1,743

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	At 1 April 2002 \$'000	Cashflow \$'000	Other non cash changes \$'000	Exchange differences \$'000	At 31 March 2003 \$'000
Analysis of net funds					
Cash at bank and in hand	2,549	(924)	-	28	1,653
Short-term investments	-	4,896	-	-	4,896
Bank overdrafts	(248)	213	-	-	(35)
Finance leases	(558)	215	(68)	-	(411)
	1,743	4,400	(68)	28	6,103

During the year the Group entered into a finance lease agreement in respect of equipment with a capital value at the inception of the lease of \$68,000.