

**Macro 4**  
**Consolidated Half-Year Cash Flow Statement (Unaudited)**  
for the six months ended 31 December 2007

	6 months ended 31 December 2007 £000	6 months ended 31 December 2006 £000	Year ended 30 June 2007 £000
Note			
<b>Cash flows from operating activities</b>			
Profit after taxation	6	1,027	2,598
Adjustments for:			
Depreciation of tangible assets	7      426	460	896
Amortisation of intangible assets	249	315	617
Amortisation of product development	1,253	1,220	2,443
Share option charge/(credit)	7	(14)	11
EDSIP charge	311	678	734
Foreign exchange adjustment	101	6	6
Loss on sale of fixed assets	1	-	7
Interest receivable	(86)	(95)	(174)
Interest payable	-	16	38
Taxation (credit)/charge	10      (87)	309	444
Cash generated from operations before changes in working capital	2,181	3,922	7,620
Decrease/(increase) in trade and other receivables	321	(1,670)	(139)
(Decrease)/increase in deferred income	(1,030)	(440)	368
Decrease in trade and other payables	(860)	(945)	(862)
Cash generated from operations	612	867	6,987
Income tax received/(paid)	257	(275)	(571)
<b>Net cash generated from operating activities</b>	<b>869</b>	<b>592</b>	<b>6,416</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	(227)	(324)	(564)
Proceeds from sale of property, plant and equipment	2	-	-
Purchase of intangible assets	(121)	(637)	(1,093)
Payment of deferred consideration on intangible assets	-	(1,314)	(1,542)
Capitalised product development costs	(1,321)	(1,361)	(2,739)
Interest received	86	95	174
<b>Net cash used in investing activities</b>	<b>(1,581)</b>	<b>(3,541)</b>	<b>(5,764)</b>
<b>Cash flows from financing activities</b>			
Dividends paid	(1,216)	(1,188)	(1,669)
Purchase of own shares	(147)	(1,328)	(1,328)
Interest paid	-	(16)	(38)
Scrip dividend legal costs written off share premium account	(5)	(13)	(12)
Cash paid in lieu for unapproved share option schemes	(7)	(111)	(303)
Share option cash received	19	12	58
<b>Net cash used in financing activities</b>	<b>(1,356)</b>	<b>(2,644)</b>	<b>(3,292)</b>
Net decrease in cash and cash equivalents	(2,068)	(5,593)	(2,640)
Cash and cash equivalents at the beginning of period	6,560	9,452	9,452
Effect of exchange rate fluctuations in cash held	217	(180)	(252)
<b>Cash and cash equivalents at end of period</b>	<b>4,709</b>	<b>3,679</b>	<b>6,560</b>