

Consolidated cash flow statement

for the year ended 31 December 2022

	Notes	2022 £'000	2021 £'000
Profit before tax from continuing operations		824	994
(Loss)/profit before tax from discontinued operations	11	(159)	13,503
Total Profit/(loss) before tax		665	14,497
Adjustments for:			
Share-based payments	32	1,748	758
Depreciation of property, plant and equipment	17	2,654	3,318
Depreciation of right-of-use assets	18	1,071	871
Amortisation of intangible assets	16	1,067	475
Impairment of assets	17	147	-
Research and development expenditure credit		(379)	(582)
Investment income		(38)	(4)
Interest expense		453	252
Unrealised foreign exchange gains		(797)	(23)
Gain on remeasurement of derivative liability	22	-	(2,919)
Payment of cash settled share-based payments		(249)	-
Fair value loss/(gain) on financial assets at FVTPL	22	8	(987)
Loss on disposal of property, plant and equipment		80	77
Profit on disposal of investment in subsidiary		-	(17,899)
Increase/(decrease) in provisions	25	141	(74)
Operating cash flows before movements in working capital		6,571	(2,240)
Increase in inventories		(9,462)	(7,964)
Decrease/(increase) in receivables		(812)	(1,525)
(Decrease)/increase in payables		(1,914)	9,525
Cash utilised by operations		(5,617)	(2,204)
Net Income taxes received		112	150
Net cash used in operating activities		(5,505)	(2,054)
Investing activities			
Investment income		38	13
Treasury deposits (deposited)/withdrawn		-	161
Purchases of property, plant and equipment		(2,456)	(1,876)
Proceeds from disposal of property, plant and equipment		17	209
Purchases of Intangible assets		(2,933)	(38)
Cash earn-out received from financial assets at FVTPL	22	236	-
Proceeds from disposal of investment in subsidiary		-	9,272
Cash attributable to subsidiary sold		-	(96)
Acquisition of subsidiary (Megnajt) net of cash acquired (2021: acquisition of FFEI)		(1,202)	168
Asset acquisition (Technomation), net of cash acquired		(2,334)	-
Net cash (used in)/provided by investing activities		(8,634)	7,813
Financing activities			
Proceeds from sale of own shares		408	150
Payment for own shares acquired	28	(1,000)	-
	31		
Payment of lease liabilities and interest	31	(914)	(824)
Net inflows from invoice discounting facility	31	346	-
Other interest paid		(22)	-
Net cash used in financing activities		(2,915)	(674)
Net (decrease)/increase in cash and cash equivalents		(17,054)	5,085
Effect of foreign exchange rate changes on cash balances		549	(110)
Cash and cash equivalents at the beginning of the year		25,051	20,076
Cash and cash equivalents at the end of the year		8,546	25,051

Cash and cash equivalents (which are presented as a single class of asset on the face of the consolidated statement of financial position) comprise cash at bank and other callable deposits with a notice period of three months or less. The carrying amount of these assets is approximately equal to their fair value.