

Consolidated income statement

For the year ended 30 April 2007

	Notes	2007			2006		
		Performance pre intangibles and exceptional items £m	Intangibles and exceptional items (note 4) £m	Results for the year £m	Performance pre intangibles and exceptional items £m	Intangibles and exceptional items (note 4) £m	Results for the year £m
CONTINUING OPERATIONS							
Revenue	2	1,504.6	Nil	1,504.6	1,343.9	Nil	1,343.9
Operating costs	3	(1,571.0)	19.3	(1,551.7)	(1,422.2)	(7.4)	(1,429.6)
Other operating income	5	213.5	Nil	213.5	205.7	Nil	205.7
Operating profit of Group companies	2	147.1	19.3	166.4	127.4	(7.4)	120.0
Share of profit/(loss) of joint ventures – after finance income and taxation		14.2	0.3	14.5	5.6	(13.1)	(7.5)
Total operating profit: Group operating profit and share of joint ventures' profit/(loss) after taxation	2	161.3	19.6	180.9	133.0	(20.5)	112.5
Gain on sale of properties	4	Nil	3.6	3.6	Nil	0.8	0.8
Loss on disposed operations and sale of investments	4	Nil	(1.1)	(1.1)	Nil	(5.9)	(5.9)
Profit before interest and taxation		161.3	22.1	183.4	133.0	(25.6)	107.4
Finance costs	6	(20.7)	Nil	(20.7)	(23.6)	Nil	(23.6)
Finance income	6	21.4	Nil	21.4	7.7	Nil	7.7
Profit before taxation		162.0	22.1	184.1	117.1	(25.6)	91.5
Taxation	8	(37.8)	(5.8)	(43.6)	(25.3)	5.0	(20.3)
Profit for the year from continuing operations		124.2	16.3	140.5	91.8	(20.6)	71.2
DISCONTINUED OPERATIONS							
Profit for the year from discontinued operations	18	4.0	132.8	136.8	21.7	22.5	44.2
TOTAL OPERATIONS							
Profit after taxation for the year attributable to equity shareholders of the parent		128.2	149.1	277.3	113.5	1.9	115.4
Earnings per share from continuing and discontinued operations							
– Adjusted/Basic	10	11.7p		25.4p	10.6p		10.7p
– Diluted	10	11.6p		25.1p	10.4p		10.6p
Earnings per share from continuing operations							
– Adjusted/Basic	10	11.4p		12.9p	8.5p		6.6p
– Diluted	10	11.2p		12.7p	8.4p		6.5p
Dividends per ordinary share							
– Interim paid	9			1.2p			1.1p
– Final proposed	9			2.9p			2.6p

The accompanying notes form an integral part of this consolidated income statement.

An interim dividend of £13.1m was paid during the year ended 30 April 2007 (2006: £12.0m).

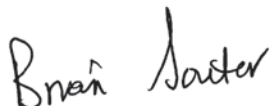
A final dividend of £20.4m has been proposed for approval in respect of the year ended 30 April 2007 (2006: £28.4m).

Consolidated balance sheet


As at 30 April 2007

		2007	2006
	Notes	£m	£m
ASSETS			
Non-current assets			
Goodwill	11	92.8	100.1
Other intangible assets	12	20.9	17.3
Property, plant and equipment	13	599.2	708.8
Interests in joint ventures	14	39.1	52.0
Interest in associate	15	Nil	1.0
Financial assets: Available for sale and other investments	16	1.1	4.2
Retirement benefit assets	27	16.6	Nil
Deferred tax asset	25	6.8	8.4
Other receivables	21	3.1	1.6
		779.6	893.4
Current assets			
Inventories	20	11.7	13.2
Trade and other receivables	21	142.1	179.9
Financial assets: Derivative instruments at fair value	28	1.7	3.7
Foreign tax recoverable		0.3	Nil
Cash and cash equivalents	22	513.3	198.5
		669.1	395.3
Total assets		1,448.7	1,288.7
LIABILITIES			
Current liabilities			
Trade and other payables	23	347.8	341.3
Current tax liabilities		24.6	29.0
Financial liabilities: Borrowings	24	70.9	66.3
Financial liabilities: Derivative instruments at fair value	28	3.7	1.6
Provisions	26	50.7	63.2
		497.7	501.4
Non-current liabilities			
Other payables	23	9.1	9.2
Financial liabilities: Borrowings	24	272.4	291.2
Financial liabilities: Derivative instruments at fair value	28	2.6	1.2
Deferred tax liabilities	25	44.1	5.2
Provisions	26	57.7	46.7
Retirement benefit obligations	27	52.8	222.2
		438.7	575.7
Total liabilities		936.4	1,077.1
Net assets		512.3	211.6
EQUITY			
Ordinary share capital	29	7.0	6.9
Share premium account	31	179.4	174.8
Retained earnings	31	91.8	(212.1)
Capital redemption reserve	31	243.0	243.0
Own shares	31	(7.3)	(6.1)
Translation reserve	31	3.0	4.0
Available for sale reserve	31	Nil	1.9
Cash flow hedging reserve	31	(4.6)	(0.8)
Total equity		512.3	211.6

These financial statements have been approved for issue by the Board of Directors on 27 June 2007.



Brian Souter
Chief Executive



Martin A Griffiths
Finance Director

The accompanying notes form an integral part of this consolidated balance sheet.

Consolidated statement of recognised income and expense

For the year ended 30 April 2007

		2007	2006
	Notes	£m	£m
Income and expense recognised directly in equity			
Foreign exchange differences on translation of foreign operations (net of hedging)		(1.0)	4.7
Actuarial gains on Group defined benefit pension schemes	27	79.4	13.9
Share of actuarial gains on joint ventures' defined benefit pension schemes		5.0	5.2
Net fair value (losses)/gains on cash flow hedges	28	(9.2)	9.2
Net fair value (losses)/gains on available for sale investments	16	(1.9)	1.9
		72.3	34.9
Transfers to the income statement			
Foreign exchange differences on disposal of foreign operations	18	Nil	(3.9)
Cash flow hedges reclassified and reported in profit for the year	28	5.4	(17.3)
		5.4	(21.2)
Tax on items taken directly to or transferred from equity			
Tax on foreign exchange differences on translation of foreign operations (net of hedging)		(0.3)	(0.2)
Tax effect of actuarial gains on Group defined benefit pension schemes		(20.3)	(4.2)
Tax effect of share of actuarial gains on joint ventures' defined benefit pension schemes		(1.5)	(1.5)
Tax effect of share based payments		3.8	2.9
	8	(18.3)	(3.0)
Net income not recognised in income statement		59.4	10.7
Profit for the year attributable to equity shareholders of the parent		277.3	115.4
Total recognised income and expense for the year attributable to equity shareholders of the parent		336.7	126.1
Effect of changes in accounting policy:			
Balances recognised on the adoption of IAS 32 and IAS 39, net of taxation		n/a	(7.7)

The accompanying notes form an integral part of the consolidated statement of recognised income and expense.

Consolidated cash flow statement

For the year ended 30 April 2007

		2007	2006
	Notes	£m	£m
Cash flows from operating activities			
Cash generated by operations	32	158.0	222.4
Interest paid		(21.4)	(24.4)
Interest received		22.0	8.3
Interest element of hire purchase contracts and finance lease payments		(4.5)	(3.3)
Dividends received from joint ventures		31.1	Nil
Net cash flows from operating activities		185.2	203.0
Tax paid		(22.9)	(27.5)
Net cash from operating activities after tax		162.3	175.5
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	32	(0.1)	(27.7)
Disposals and closures of subsidiaries and other businesses, net of cash disposed of	18	267.0	104.4
Purchase of property, plant and equipment		(44.5)	(91.9)
Disposal of property, plant and equipment	32	11.0	8.2
Purchase of intangible assets		(1.7)	(0.6)
Purchase of other investments		(0.4)	(2.8)
Disposal of other investments		0.2	0.6
Movement in loans to joint ventures		1.4	0.3
Purchase of investments in joint ventures		Nil	(0.4)
Net cash inflow/(outflow) from investing activities		232.9	(9.9)
Cash flows from financing activities			
Issue of shares		4.7	7.0
Redemption of 'B' shares		Nil	(13.9)
Investment in own ordinary shares by employee share ownership trusts		(2.1)	Nil
Sale of own ordinary shares by employee share ownership trusts		0.9	0.7
Repayments of hire purchase and lease finance		(28.2)	(35.1)
Proceeds of sale and leaseback transaction		Nil	49.5
Repayment of borrowings		(11.6)	(73.9)
Dividends paid on ordinary shares		(41.5)	(36.6)
Sale of tokens		6.8	7.4
Redemption of tokens		(9.1)	(11.4)
Net cash used in financing activities		(80.1)	(106.3)
Net increase in cash and cash equivalents		315.1	59.3
Cash and cash equivalents at the beginning of year		198.3	138.5
Exchange rate effects		(0.9)	0.5
Cash and cash equivalents at the end of year	22	512.5	198.3
Cash and cash equivalents at the end of year comprises:			
Cash and cash equivalents included within current assets		513.3	198.5
Bank overdrafts included within financial liabilities: borrowings		(0.8)	(0.2)
		512.5	198.3

The accompanying notes form an integral part of this consolidated cash flow statement.

Consolidated statement of changes in equity

	Notes	Ordinary share capital	Share premium account	Retained earnings	Capital redemption reserve	Own shares	Translation reserve	Available for sale reserve	Cash flow hedging reserve	Total equity
		£m	£m	£m	£m	£m	£m	£m	£m	£m
Balance at 1 May 2005		6.8	163.4	(295.3)	229.1	(6.8)	3.2	—	7.3	107.7
Profit for the year		—	—	115.4	—	—	—	—	—	115.4
Foreign exchange differences on translation of foreign operations (net of hedging)		—	—	—	—	—	4.7	—	—	4.7
Actuarial gains on Group defined benefit pension schemes		—	—	13.9	—	—	—	—	—	13.9
Share of actuarial gains on joint ventures' defined benefit pension schemes		—	—	5.2	—	—	—	—	—	5.2
Net fair value gains on cash flow hedges		—	—	—	—	—	—	—	9.2	9.2
Net fair value gains on available for sale investments		—	—	—	—	—	—	1.9	—	1.9
Foreign exchange differences on disposal of foreign operations		—	—	—	—	—	(3.9)	—	—	(3.9)
Cash flow hedges reclassified and reported in profit for the year		—	—	—	—	—	—	—	(17.3)	(17.3)
Tax on items taken directly to equity (for split see Consolidated statement of recognised income and expense on page 42)		—	—	(3.0)	—	—	—	—	—	(3.0)
Own shares sold		—	—	—	—	0.7	—	—	—	0.7
Redemption of 'B' shares		—	—	(13.9)	13.9	—	—	—	—	—
Arising on new ordinary share issues		0.1	11.4	—	—	—	—	—	—	11.5
Credit in relation to share based payment		—	—	2.2	—	—	—	—	—	2.2
Dividends paid on ordinary shares	9	—	—	(36.6)	—	—	—	—	—	(36.6)
Balance at 30 April 2006 and 1 May 2006		6.9	174.8	(212.1)	243.0	(6.1)	4.0	1.9	(0.8)	211.6
Profit for the year		—	—	277.3	—	—	—	—	—	277.3
Foreign exchange differences on translation of foreign operations (net of hedging)		—	—	—	—	—	(1.0)	—	—	(1.0)
Actuarial gains on Group defined benefit pension schemes		—	—	79.4	—	—	—	—	—	79.4
Share of actuarial gains on joint ventures' defined benefit pension schemes		—	—	5.0	—	—	—	—	—	5.0
Net fair value losses on cash flow hedges		—	—	—	—	—	—	—	(9.2)	(9.2)
Net fair value losses on available for sale investments		—	—	—	—	—	—	(1.9)	—	(1.9)
Cash flow hedges reclassified and reported in profit for the year		—	—	—	—	—	—	—	5.4	5.4
Tax on items taken directly to equity (for split see Consolidated Statement of recognised income and expense on page 42)		—	—	(18.3)	—	—	—	—	—	(18.3)
Own ordinary shares purchased		—	—	—	—	(2.1)	—	—	—	(2.1)
Own shares sold		—	—	—	—	0.9	—	—	—	0.9
Arising on new ordinary share issues		0.1	4.6	—	—	—	—	—	—	4.7
Credit in relation to share based payment		—	—	2.0	—	—	—	—	—	2.0
Dividends paid on ordinary shares	9	—	—	(41.5)	—	—	—	—	—	(41.5)
Balance at 30 April 2007		7.0	179.4	91.8	243.0	(7.3)	3.0	Nil	(4.6)	512.3

The accompanying notes form an integral part of this consolidated statement of changes in equity.