

Consolidated statement of changes in equity

for the year ended 31 December 2009

	Share capital £m	Share premium £m	Employee Benefit Trust shares £m	Capital redemption reserve £m	Retained earnings £m	Foreign currency translation reserve £m	Net unrealised gains reserve £m	Total equity £m
At 1 January 2008	12.6	374.9	–	1.8	(62.2)	0.7	4.0	331.8
Profit for the year	–	–	–	–	165.8	–	–	165.8
Other comprehensive expense	–	–	–	–	(34.6)	5.9	14.5	(14.2)
Total comprehensive income for the year	–	–	–	–	131.2	5.9	14.5	151.6
Share based payment	–	–	–	–	9.2	–	–	9.2
Income tax deduction on exercise of stock options in excess of share based payments	–	–	–	–	17.6	–	–	17.6
Deferred income tax relating to share based payments	–	–	–	–	(2.2)	–	–	(2.2)
Share transaction costs	–	–	–	–	(0.4)	–	–	(0.4)
Shares issued	0.2	35.5	–	–	–	–	–	35.7
Employee benefit trust shares purchased	–	–	(0.2)	–	(68.2)	–	–	(68.4)
Equity dividends paid	–	–	–	–	(78.0)	–	–	(78.0)
At 1 January 2009	12.8	410.4	(0.2)	1.8	(53.0)	6.6	18.5	396.9
Profit for the year	–	–	–	–	188.9	–	–	188.9
Other comprehensive expense	–	–	–	–	(41.9)	(2.3)	(10.7)	(54.9)
Total comprehensive income for the year	–	–	–	–	147.0	(2.3)	(10.7)	134.0
Share based payment	–	–	–	–	9.8	–	–	9.8
Income tax deduction on exercise of stock options in excess of share based payments	–	–	–	–	6.0	–	–	6.0
Deferred income tax relating to share based payments	–	–	–	–	(12.2)	–	–	(12.2)
Shares issued	0.1	24.8	–	–	–	–	–	24.9
Equity dividends paid	–	–	–	–	(93.2)	–	–	(93.2)
At 31 December 2009	12.9	435.2	(0.2)	1.8	4.4	4.3	7.8	466.2

Share capital – The balance classified as share capital is the nominal proceeds on issue of the Company's equity share capital, comprising 2^{1/15}p ordinary shares.

Share premium – The amount paid to the Company by shareholders, in cash or other consideration, over and above the nominal value of shares issued to them.

Employee Benefit Trust shares – Shares that have been bought back by the Company, which are available for retirement or resale; shares held in the Employee Benefit Trust have no voting rights and do not have entitlement to a dividend.

Capital redemption reserve – The Company can redeem shares by repaying the market value to the shareholder, whereupon the shares are cancelled. Redemption must be from distributable profits. The Capital redemption reserve represents the nominal value of the shares redeemed.

Foreign currency translation reserve – Gains or losses resulting from the process of expressing amounts denominated or measured in 1 currency in terms of another currency by use of the exchange rate between the 2 currencies. This process is required to consolidate the financial statements of foreign affiliates into the total Group financial statements and to recognise the conversion of foreign currency or the settlement of a receivable or payable denominated in foreign currency at a rate different from that at which the item is recorded.

Net unrealised gains reserve – This reserve records the portion of the gain or loss on a hedging instrument in a cash flow hedge that is determined to be an effective hedge. Also recorded here are fair value changes on available for sale investments.

Retained earnings – Net profits kept to accumulate in the Group after dividends are paid and retained in the business as working capital.