

Notes to the Consolidated Financial Statements continued

25 Capital and reserves

	Share capital £m	Share premium account £m	Capital redemption reserve £m	Translation reserve £m	Retained earnings £m	Attributable to equity holders of the parent £m	Minority interest £m	Total equity £m
At 1 January 2006	6.6	36.4	7.6	3.3	57.2	111.1	6.1	117.2
Total recognised income and expense	–	–	–	(7.8)	55.7	47.9	0.9	48.8
Dividends to shareholders	–	–	–	–	(8.1)	(8.1)	(0.9)	9.0
Share-based payments	–	–	–	–	0.8	0.8	–	0.8
Share capital issued	–	0.7	–	–	–	0.7	0.6	1.3
At 31 December 2006 and 1 January 2007	6.6	37.1	7.6	(4.5)	105.6	152.4	6.7	159.1
Total recognised income and expense	–	–	–	4.4	55.4	59.8	3.3	63.1
Dividends to shareholders	–	–	–	–	(11.5)	(11.5)	(0.8)	12.3
Share-based payments	–	–	–	–	1.1	1.1	–	1.1
Share capital issued	–	0.5	–	–	–	0.5	–	0.5
At 31 December 2007	6.6	37.6	7.6	(0.1)	150.6	202.3	9.2	211.5

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations and the translation of borrowings that hedge those operations.

The capital redemption reserve is a non-distributable reserve created when the Company's shares were redeemed or purchased other than from the proceeds of a fresh issue of shares.

Although the Group has cash flow hedges, the fair value movement during the year on the hedging instruments, a gain of £1.9m (2006: £6.3m), has been fully recycled through the Income Statement along with the corresponding loss arising on the hedged item. The opening and closing balance on the hedging reserve is therefore £nil.

26 Related party transactions

Transactions between the parent, jointly controlled operations and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

During the year the Group undertook various contracts with a total value of £11.6m (2006: £13.6m) for GTCEISU Construcción, S.A., a connected person of Mr López Jiménez, a Director of the Company. An amount of £8.0m (2006: £8.8m) is included in trade and other receivables in respect of amounts outstanding at 31 December 2007.

All amounts outstanding from related parties are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

The remuneration of the Directors, who are the key management personnel and related parties of the Group, is set out in the audited part of the Directors' Remuneration Report on pages 39 to 41.

27 Operating lease arrangements

At the balance sheet date the Group's total commitments for future minimum lease payments under non-cancellable operating leases, were as follows:

	2007 Land and buildings £m	2007 Plant, machinery and vehicles £m	2007 Total £m	2006 Land and buildings £m	2006 Plant, machinery and vehicles £m	2006 Total £m
Payable within one year	5.4	5.9	11.3	4.7	5.3	10.0
Payable between one and five years inclusive	12.3	6.5	18.8	10.4	6.0	16.4
Payable in over five years	6.9	0.2	7.1	5.2	–	5.2
	24.6	12.6	37.2	20.3	11.3	31.6