

## 7 Employees

The aggregate staff costs of the Group were:

	2007	2006 Restated
	£m	£m
Wages and salaries	201.8	179.5
Social security costs	24.0	22.5
Other pension costs	4.9	4.3
	230.7	206.3
Continuing operations	221.5	194.9
Discontinued operation	9.2	11.4
	230.7	206.3

These costs include Directors' remuneration. Disclosures on Directors' remuneration, required by the Companies Act 1985 and those specified for audit by the Financial Services Authority are on pages 35 to 41 within the Directors' Remuneration Report and form part of these financial statements.

The average number of persons, including Directors, employed by the Group during the year was:

	2007 Number	2006 Number
United Kingdom	788	744
North America	2,792	2,665
CEMEA	1,960	1,749
Australia	649	540
	6,189	5,698

United Kingdom includes 217 (2006: 303) employees in respect of the discontinued operation.

## 8 Finance income

	2007	2006 Restated
	£m	£m
Bank and other interest receivable	1.2	0.8
Expected return on pension scheme assets	1.3	1.1
	2.5	1.9

## 9 Finance costs

	2007	2006 Restated
	£m	£m
Interest payable on bank loans and overdrafts	1.8	1.0
Interest payable on other loans	2.5	3.9
Interest payable on finance leases	0.2	0.1
Pension interest cost	1.8	1.6
Other interest costs	0.4	0.9
	6.7	7.5

## 10 Taxation

	2007	2006 Restated
	£m	£m
<b>Current tax expense</b>		
Current year	36.6	29.7
Prior years	0.7	(0.1)
Total current tax	37.3	29.6
<b>Deferred tax expense</b>		
Current year	1.2)	0.9
Prior years:		
One-off tax credit	-	(3.8)
Other	0.2)	0.2
Total deferred tax	1.4)	(2.7)
	35.9	26.9

## Notes to the Consolidated Financial Statements continued

### 10 Taxation continued

UK corporation tax is calculated at 30% (2006: 30%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The effective tax rate can be reconciled to the UK corporation tax rate of 30% as follows:

	2007	2006 %
UK corporation tax rate of 30% (2006: 30%)	30	30
Tax charged overseas at rates other than 30%	3	3
Tax losses carried forward	1)	–
Permanent differences	2	3
Adjustment to tax charge in respect of previous periods	1	1
Effective tax rate before one-off tax credit	35	37
One-off tax credit in respect of previous periods	–	(5)
Effective tax rate from continuing operations	35	32

The one-off tax credit arose following an intra-Group financial restructuring during 2006, as a result of which it is now anticipated that prior year UK tax losses can be utilised against future UK taxable profits. Consequently, the Group recognised a £3.8m deferred tax asset in respect of these losses, which resulted in a one-off tax credit in the 2006 Income Statement.

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting period.

	Unused tax losses £m	Accelerated capital allowances £m	Retirement benefit obligations £m	Other temporary differences £m	Total £m
At 1 January 2006	–	11.2	(4.3)	(7.1)	0 2
(Credit)/charge to the Income Statement	(3.7)	0.2	1.5	(0.7)	2 7
Credit to equity	–	–	(0.1)	–	0 1
Acquired with new subsidiaries	–	2.4	–	(1.0)	1 4
Reclassification	(0.4)	–	–	0.4	–
Exchange differences	–	(1.4)	0.1	1.2	0 1
At 31 December 2006 and 1 January 2007	(4.1)	12.4	(2.8)	(7.2)	1 7
(Credit)/charge to the Income Statement	(1.0)	(0.1)	0.6	(2.4)	2 9
Charge to equity	–	–	0.6	–	0 6
Acquired with new subsidiaries	–	0.1	–	–	0 1
Exchange differences	–	0.2	–	(0.1)	0 1
<b>At 31 December 2007</b>	<b>(5.1)</b>	<b>12.6</b>	<b>(1.6)</b>	<b>(9.7)</b>	<b>3 8</b>

The following is the analysis of the deferred tax balances for financial reporting:

	2007 £m	2006 £m
Deferred tax liabilities	5 4	6.2
Deferred tax assets	9 2)	(7.9)
	<b>3 8)</b>	<b>(1.7)</b>

At the balance sheet date, the Group has unused tax losses of £0.9m (2006: £4.2m) available for offset against future profits, on which no deferred tax asset has been recognised. Losses may be carried forward indefinitely.

### 11 Dividends paid

Ordinary dividends on equity shares:

	2007 £m	2006 £m
Amounts recognised as distributions to equity holders in the period:		
Interim dividend for the year ended 31 December 2007 of 6.0p (2006: 4.2p) per share	4 0	2.8
Final dividend for the year ended 31 December 2006 of 11.4p (2005: 8.2p) per share	7 5	5.3
	<b>11 5</b>	<b>8.1</b>

The Directors have proposed a final dividend for the year ended 31 December 2007 of £8.0m, representing 12.0p (2006: 11.4p) per share. The proposed dividend is subject to approval by shareholders at the Annual General Meeting on 13 May 2008 and has not been included as a liability in these financial statements.