

**7 Employees**

The aggregate staff costs of the Group were:

|                        | 2009<br>£m   | 2008<br>£m |
|------------------------|--------------|------------|
| Wages and salaries     | <b>240.1</b> | 229.0      |
| Social security costs  | <b>30.0</b>  | 29.8       |
| Other pension costs    | <b>5.3</b>   | 6.4        |
|                        | <b>275.4</b> | 265.2      |
| Continuing operations  | <b>275.4</b> | 264.4      |
| Discontinued operation | –            | 0.8        |
|                        | <b>275.4</b> | 265.2      |

These costs include Directors' remuneration. Disclosures on Directors' remuneration, required by the Companies Act 2006 and those specified for audit by the Financial Services Authority are on pages 34 to 39 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:

|           | 2009<br>Number | 2008<br>Number |
|-----------|----------------|----------------|
| UK        | <b>475</b>     | 628            |
| US        | <b>2,270</b>   | 2,824          |
| CEMEA     | <b>2,404</b>   | 2,198          |
| Australia | <b>728</b>     | 700            |
|           | <b>5,877</b>   | 6,350          |

**8 Finance income**

|  | 2009<br>£m | 2008<br>£m |
|--|------------|------------|
| Bank and other interest receivable       | <b>0.2</b> | 0.5        |
| Expected return on pension scheme assets | <b>1.4</b> | 1.5        |
| Other finance income                     | <b>2.1</b> | –          |
|  | <b>3.7</b> | 2.0        |

**9 Finance costs**

|   | 2009<br>£m | 2008<br>£m |
|---|------------|------------|
| Interest payable on bank loans and overdrafts | <b>1.2</b> | 2.6        |
| Interest payable on other loans               | <b>1.6</b> | 1.0        |
| Interest payable on finance leases            | <b>0.2</b> | 0.2        |
| Pension interest cost                         | <b>2.4</b> | 1.9        |
| Other finance costs                           | <b>0.9</b> | 2.5        |
|   | <b>6.3</b> | 8.2        |

**10 Taxation**

|                             | 2009<br>£m   | 2008<br>£m |
|-----------------------------|--------------|------------|
| <b>Current tax expense</b>  |              |            |
| Current year                | <b>19.5</b>  | 30.6       |
| Prior years                 | <b>(0.6)</b> | (3.1)      |
| Total current tax           | <b>18.9</b>  | 27.5       |
| <b>Deferred tax expense</b> |              |            |
| Current year                | <b>5.3</b>   | 6.7        |
| Prior years                 | <b>(1.6)</b> | 1.7        |
| Total deferred tax          | <b>3.7</b>   | 8.4        |
|                             | <b>22.6</b>  | 35.9       |

# Notes to the consolidated financial statements

Continued

## 10 Taxation continued

UK corporation tax is calculated at 28.0% (2008: 28.5%) 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 28.0% as follows:

|  | 2009<br>%    | 2008<br>% |
|--|--------------|-----------|
| UK corporation tax rate of 28.0% (2008: 28.5%)               | <b>28.0</b>  | 28.5      |
| Tax charged overseas at rates other than 28.0% (2008: 28.5%) | <b>1.0</b>   | 0.7       |
| Tax losses carried forward                                   | <b>1.1</b>   | 0.4       |
| Permanent differences  | <b>2.9</b>   | 3.3       |
| Adjustment to tax charge in respect of previous periods      | <b>(2.7)</b> | (1.2)     |
| Effective tax rate from continuing operations                | <b>30.3</b>  | 31.7      |

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

|   | Unused<br>tax<br>losses<br>£m | Accelerated<br>capital<br>allowances<br>£m | Retirement<br>benefit<br>obligations<br>£m | Other<br>temporary<br>differences<br>£m | Total<br>£m  |
|---|-------------------------------|--|--|---|--------------|
| At 1 January 2008                       | (5.1)                         | 12.6                                       | (1.6)                                      | (9.7)                                   | <b>(3.8)</b> |
| Charge to the income statement          | 1.3                           | 6.1  | 0.3  | 0.7                                     | <b>8.4</b>   |
| Charge to equity                        | –                             | –  | 0.5  | –                                       | <b>0.5</b>   |
| Acquired with new subsidiaries          | –                             | 0.8  | –  | (0.1)                                   | <b>0.7</b>   |
| Exchange differences                    | 0.1                           | 5.3  | –  | (2.4)                                   | <b>3.0</b>   |
| At 31 December 2008 and 1 January 2009  | (3.7)                         | 24.8                                       | (0.8)                                      | (11.5)                                  | <b>8.8</b>   |
| (Credit)/charge to the income statement | (0.4)                         | 3.5  | 0.4  | 0.2                                     | <b>3.7</b>   |
| Credit to equity                        | –                             | –  | (2.2)                                      | –                                       | <b>(2.2)</b> |
| Acquired with new subsidiaries          | –                             | 0.6  | (0.1)                                      | 2.2                                     | <b>2.7</b>   |
| Exchange differences                    | 0.4                           | (1.9)                                      | –  | –                                       | <b>(1.5)</b> |
| Reclassification                        | –                             | (0.7)                                      | (0.5)                                      | 1.2                                     | <b>–</b>     |
| <b>At 31 December 2009</b>              | <b>(3.7)</b>                  | <b>26.3</b>                                | <b>(3.2)</b>                               | <b>(7.9)</b>                            | <b>11.5</b>  |

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

|                          | 2009<br>£m   | 2008<br>£m |
|--------------------------|--------------|------------|
| Deferred tax liabilities | <b>19.6</b>  | 16.5       |
| Deferred tax assets      | <b>(8.1)</b> | (7.7)      |
|                          | <b>11.5</b>  | 8.8        |

At the balance sheet date, the Group had unused tax losses of £4.1m (2008: £1.8m) available for offset against future profits, on which no deferred tax asset has been recognised. These losses may be carried forward indefinitely.

## 11 Dividends paid

Ordinary dividends on equity shares:

|  | 2009<br>£m  | 2008<br>£m |
|--|-------------|------------|
| Amounts recognised as distributions to equity holders in the period:                 |             |            |
| Interim dividend for the year ended 31 December 2009 of 7.25p (2008: 6.9p) per share | <b>4.7</b>  | 4.4        |
| Final dividend for the year ended 31 December 2008 of 13.8p (2007: 12.0p) per share  | <b>8.8</b>  | 7.9        |
|  | <b>13.5</b> | 12.3       |

The Board has declared a second interim dividend for the year ended 31 December 2009 of £9.3m, representing 14.5p (2008: 13.8p) per share, in lieu of a final dividend. The dividend was approved by the Board on 26 February 2010 and has not been included as a liability in these financial statements.