16 Property, plant and equipment (continued)

	Land and buildings £m	Plant and machinery £m	Assets in the course of construction £m	Total £m
Cost				
At 1 April 2007	546	2 209	288	3 043
Additions at cost	19	128	136	283
Transfers on completion	15	161	(176)	–
Additions through business combinations	5	4	3	12
Businesses sold	(117)	(669)	(32)	(818)
Disposals	(14)	(72)	(1)	(87)
Exchange and other movements	12	54	4	70
At 31 March 2008	466	1 815	222	2 503
Accumulated depreciation and impairments				
At 1 April 2007	285	1 541	–	1 826
Depreciation charge	13	94	–	107
Impairment losses	–	23	–	23
Businesses sold	(78)	(541)	–	(619)
Disposals	(9)	(71)	–	(80)
Exchange and other movements	8	42	–	50
At 31 March 2008	219	1 088	–	1 307
Net book value at 31 March 2008	247	727	222	1 196

Additions to fixed assets includes capitalised borrowing costs of £11 million (2008 – £8 million).

Impairment losses

It is the Group's policy to test assets for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

(a) Impact of changes to the EU Sugar Regime

The Group continues to monitor the impact of the announced changes to the EU Sugar Regime, which were implemented in July 2006 and significantly reduce both EU refined sugar prices, raw sugar prices, and EU subsidised exports of sugar.

The UK and Portuguese Sugars businesses are impacted by the changes to the EU Sugar Regime. Management's impairment review of these businesses was based on internal forecasts of future cash flows for the next five years, a pre-tax discount rate of 11% (2008 – 11%) and a zero growth rate assumed in perpetuity. This did not result in an impairment in either the year ended 31 March 2009 or 31 March 2008.

Food & Industrial Ingredients, Europe is a major supplier of sweeteners which operates in competition to sugar throughout Europe. Following the disposal of five European starch plants in October 2007, the Group carried out an impairment review in respect of the remaining cash generating units at 31 March 2009. The recoverable amount was based on value in use, calculated based on estimated future cash flows using management's internal forecasts of future margins for the next five years. The pre-tax discount rate used was 11% (2008 – 10%) and a zero growth rate assumed in perpetuity. Taking all factors into account management concluded that no further impairment or reversal of previous impairments was required.

(b) Other impairment reviews

Following the decision to mothball the McIntosh, Alabama facility and produce all sucralose at the Singapore facility, the Group has recognised a charge of £97 million in the year ended 31 March 2009, reflecting the impairment of the carrying value of the McIntosh facility.

The Group has also carried out a review of its sugar refining operation in Israel. The recoverable amount was based on value in use, calculated based on management's internal forecasts of future cash flows for the remainder of the operation's contractual life and a pre-tax discount rate of 13%. An impairment of £9 million was recognised in the year.

The Group has carried out a review of its global citric acid business as a result of intense competition from Chinese exports and oversupply in the world market. The recoverable amount was based on value in use, calculated based on management's internal forecasts of future cash flows for the next ten years (to cover the period when protection from Chinese imports ends), a pre-tax discount rate of 11% (2008 – 12%). An impairment of £12 million was recognised in the prior year; no further impairment or reversal is required.

Leased assets

Included in property, plant and equipment is plant and machinery held under finance leases with a net book value of £16 million (2008 – £22 million). During the year ended 31 March 2009, £1 million of additions were recognised on the inception of finance leases (2008 – £2 million) and £10 million of impairment losses related to leased assets of the Sucralose facility in McIntosh, Alabama.