

## Notes to the consolidated financial statements

### 28 Trade and other payables

	31 March	
	2009 £m	2008 £m
<b>Non-current payables</b>		
Accruals and deferred income (note a)	10	27
Other payables	1	-
<b>Total</b>	<b>11</b>	<b>27</b>

	31 March	
	2009 £m	2008 £m
<b>Current payables</b>		
Trade payables	295	258
Social security	9	7
Amounts owed to related parties	-	1
Deferred consideration (note b)	28	23
Accruals and deferred income (note c)	178	155
Other payables	28	44
<b>Total</b>	<b>538</b>	<b>488</b>

(a) Includes government grant deferred income of £9 million (2008 – £26 million) under the Transitional Aid provisions of the EU Sugar Regime.

(b) Deferred consideration relates to the acquisition of G. C. HAHN & Co. (Note 38).

(c) Includes government grant deferred income of £18 million (2008 – £17 million) under the Transitional Aid provisions of the EU Sugar Regime.

### 29 Borrowings

#### Non-current borrowings

	31 March	
	2009 £m	2008 £m
<b>Unsecured borrowings</b>		
2,394,000 6.5% cumulative preference shares of £1 each (2008 – £2,394,000)	2	2
Industrial Revenue Bonds 2016-2036 (US\$92,000,000)	64	46
6.125% Guaranteed Notes 2011 (US\$300,000,000)	214	156
6.5% Guaranteed Notes 2012 (£200,000,000)	215	199
5.0% Guaranteed Notes 2014 (US\$500,000,000)	366	255
6.625% Guaranteed Notes 2016 (US\$250,000,000)	189	135
	<b>1 050</b>	<b>793</b>
<b>Bank loans</b>		
Variable unsecured loans (euro)	47	40
Variable unsecured loans (US\$)	7	5
	<b>54</b>	<b>45</b>
<b>Other borrowings</b>		
Obligations under finance leases	25	20
	<b>25</b>	<b>20</b>
<b>Total non-current borrowings</b>	<b>1 129</b>	<b>858</b>

On a return of capital on a winding-up, the holders of 6.5% cumulative preference shares shall be entitled to £1 per share, in preference to all other classes of shareholders. Holders of these shares are entitled to vote at meetings, except on the following matters: any question as to the disposal of the surplus profits after the dividend on these shares has been provided for, the election of directors, their remuneration, any agreement between the directors and the Company, or the alteration of the Articles of Association dealing with any such matters.

## Notes to the consolidated financial statements

### 29 Borrowings (continued)

#### Current borrowings

	31 March	
	2009 £m	2008 £m
Unsecured bank overdrafts	23	24
Receivables securitisation	98	50
Drawdown of committed facilities	257	123
Short-term loans		
– unsecured	141	153
– secured	–	5
Current portion of non-current borrowings	1	3
Obligations under finance leases	3	2
<b>Total current borrowings</b>	<b>523</b>	<b>360</b>

#### Secured borrowings

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

Other secured borrowings are secured on property, plant and equipment, receivables and inventories.

#### Fair values

The fair values of the Group's borrowings compared with their book values are as follows:

	31 March 2009		31 March 2008	
	Book value £m	Fair value £m	Book value £m	Fair value £m
Unsecured borrowings	1 050	1 151	793	858
Non-current bank loans	54	54	45	45
Other non-current borrowings	25	25	20	20
Other current borrowings	523	523	360	360
<b>Total</b>	<b>1 652</b>	<b>1 753</b>	<b>1 218</b>	<b>1 283</b>

#### Interest rate risks and maturity of borrowings

The maturity profile of the Group's non-current borrowings is as follows:

	31 March	
	2009 £m	2008 £m
One to two years	49	4
Two to five years	446	406
After five years	634	448
<b>Total non-current borrowings</b>	<b>1 129</b>	<b>858</b>

Floating rate borrowings bear interest based on relevant national LIBOR equivalents. If the interest rates applicable to the Group's floating rate debt rise from the levels at 31 March 2009 by an average of 1% over the year to 31 March 2010, this would reduce Group profit before tax by approximately £4 million (2008 – £4 million).

As part of its interest rate management strategy, the Group has entered into interest rate caps for a notional principal amount of £109 million (2008 – £83 million), capping interest rates at 4% until June 2009.

## Notes to the consolidated financial statements

### 29 Borrowings (continued)

Taking into account the Group's interest rate swap and cap contracts, the effective interest rates of its borrowings are as follows:

	31 March	
	2009	2008
2,394,000 6.5% cumulative preference shares of £1 each	<b>6.5%</b>	6.5%
Industrial Revenue Bonds 2016–2036 (US\$92,000,000)	<b>0.8%</b>	2.2%
6.125% Guaranteed Notes 2011 (US\$300,000,000)	<b>5.0%</b>	5.0%
6.5% Guaranteed Notes 2012 (£200,000,000)	<b>4.2%</b>	5.3%
5.0% Guaranteed Notes 2014 (US\$500,000,000)	<b>4.9%</b>	4.9%
6.625% Guaranteed Notes 2016 (US\$250,000,000)	<b>6.0%</b>	6.0%

### Short-term loans and overdrafts

Current short-term loans mature within the next 12 months and overdrafts are repayable on demand. Both short-term loans and bank overdrafts are arranged at floating rates of interest and expose the Group to cash flow interest rate risk.

### Credit facilities and arrangements

The Group has undrawn committed multi-currency facilities of £524 million (2008 – £438 million), of which £59 million matures in September 2009, £31 million matures in November 2009 and £434 million matures in October 2012. These facilities incur commitment fees at market rates prevailing when the facilities were arranged. The facilities may only be withdrawn in the event of specified events of default. In addition, the Group has substantial uncommitted facilities.

### Finance lease commitments

Amounts payable under finance lease commitments are as follows:

	31 March 2009		31 March 2008	
	Minimum lease payments £m	Present value of minimum lease payments £m	Minimum lease payments £m	Present value of minimum lease payments £m
Within one year	4	3	3	2
Between one and five years	20	13	14	12
After five years	9	12	10	8
	<b>33</b>	<b>28</b>	27	22
Less future finance charges	(5)		(5)	
Present value of minimum lease payments	<b>28</b>		22	

Finance lease agreements allow for renewal at the end of the original ten-year lease term at the option of the Group.