

Notes to the consolidated financial statements

32 Provisions for other liabilities and charges

	Insurance funds £m	Deferred consideration £m	Restructuring and closure provisions £m	Other provisions £m	Total £m
At 1 April 2007	20	19	37	19	95
(Credited)/charged to the income statement	–	(1)	32	8	39
Utilised in the year	(3)	(8)	(40)	(11)	(62)
Businesses sold	(7)	–	(3)	(2)	(12)
Businesses acquired	–	–	–	2	2
Exchange differences	–	–	6	–	6
At 31 March 2008	10	10	32	16	68
Charged/(credited) to the income statement	4	(2)	–	(1)	1
Utilised in the year	(4)	(8)	(27)	(5)	(44)
Exchange differences	2	–	2	3	7
At 31 March 2009	12	–	7	13	32

	31 March	
	2009 £m	2008 £m
Provisions are expected to be utilised as follows:		
Within one year	11	54
After more than one year	21	14
Total	32	68

Insurance funds represent amounts provided by the Group's captive insurance subsidiary in respect of the expected level of insurance claims. These provisions are expected to be utilised within five years.

The deferred consideration provision relates to the deferred payments arising until the year ended 31 March 2009 from the Sucralose realignment in 2004. Payments were made to McNeil based on the achievement of certain minimum targets in respect of sales of Sucralose made by the Group. The Group continues to receive amounts from McNeil based on sales of Sucralose tabletop products made by McNeil for ten years from the date of the realignment. These receipts were shown up to 31 March 2006 as a deduction from goodwill. Since the elimination of goodwill the receipts are recognised in the income statement and only in the periods in which they are earned. In the year ended 31 March 2009 £9 million of receipts were recognised in the income statement (31 March 2008 – £7 million).

Restructuring and closure provisions primarily relate to the businesses which have been closed and to a reorganisation as a result of the disposal of the five starch plants in Europe. It is expected that the provisions will be fully utilised within the next three years. Included within other provisions are amounts provided for claims under clauses in the disposal agreements of businesses disposed. These provisions are expected to be utilised within the next few years. During the year, £2 million in respect of closure costs for the astaxanthin business was released to income.

The amount charged/credited to the income statement includes a charge of £1 million (2008 – £1 million) related to the unwinding of discounts.

33 Change in working capital

	31 March	
	2009 £m	2008 £m
Decrease/(increase) in inventories	24	(59)
Increase in receivables	(42)	(64)
Increase in payables	34	89
Decrease/(increase) in derivative financial instruments	107	(18)
Decrease in provisions for other liabilities and charges	(36)	(27)
Increase/(decrease) in retirement benefit obligations	120	(40)
Decrease in working capital items held for sale	–	24
Movement during year	207	(95)
The above movements include the following elements:		
Exchange differences	97	(12)
Acquisitions, disposals and discontinued operations during the year	(198)	14
Deferred consideration	–	(23)
Actuarial (loss)/gain	(71)	3
Other items	(4)	(46)
Decrease/(increase) in working capital (continuing operations)	31	(159)

Other items include non-cash movements in derivatives, and the elimination of balances within debtors and creditors attributable to interest, property, plant and equipment and investments.