

Notes to the consolidated financial statements

38 Acquisitions and disposals (continued)

Net assets disposed comprised inventories. The disposal generated a cash inflow of £57 million; an outflow is anticipated in the forthcoming year of approximately £29 million.

A number of other investments relating to the International Sugar Trading business were not included in the initial sale and are being addressed separately in accordance with the relevant shareholders' agreements. The sales of some of these interests, with associated profits, are expected to occur in the year ending 31 March 2010 and the investments are classified as held for sale. The sale of the International Sugar Trading business and the anticipated disposal of the other investments are together unlikely to generate a material profit or loss on disposal.

Other disposals

On 21 January 2009, the Group disposed of its shareholding in Orsan UK Ltd, the holding company of its Chinese monosodium glutamate business. Total consideration, net of provisioning and disposal costs was £1 million and the profit on disposal was £2 million. The cash impact of the disposal was an outflow of £4 million.

In the year ended 31 March 2008, the Group made the following disposals:

- Tate & Lyle Canada (Redpath) on 22 April 2007 for total consideration, net of disposal costs of £140 million;
- five European starch plants on 1 October 2007 for total consideration, net of disposal costs of £212 million; and
- its 49% indirect shareholding in Occidente on 28 December 2007 for total consideration, net of disposal costs of £46 million.

Net assets disposed comprised:

	Redpath £m	European starch plants £m	Occidente £m
Property, plant and equipment	51	172	26
Available-for-sale financial assets	–	–	1
Intangible assets	–	2	–
Inventories	22	42	19
Provisions	–	(4)	(1)
Retirement benefit surplus/(obligation)	2	(4)	–
Trade and other receivables	22	150	5
Cash and cash equivalents	6	20	4
Trade and other payables	(18)	(118)	(6)
Borrowings	–	(43)	(12)
Net assets disposed	85	217	36
Goodwill written-off	–	(15)	–
Other items, including exchange differences transferred from equity	5	12	(2)
Total consideration, net of costs	140	212	46
Profit/(loss) on disposal	60	(8)	8
Cash flows:			
Cash consideration, net of costs	139	223	46
Cash disposed	(6)	(20)	(4)
Cash inflow in the year	133	203	42

On 26 April 2007, the Group disposed of its shareholding in Pure Cane Molasses for cash consideration of £4 million. The loss on disposal was £1 million.

On 15 June 2007, the Group disposed of its shareholding in Tate & Lyle Reinsurance, comprising part of its reinsurance operations and including cash balances of £2 million, for cash consideration of £3 million. The loss on disposal was £1 million.

39 Post balance sheet events

Subsequent to the year end, the Board endorsed its decision to mothball the Sucralose McIntosh site. An impairment charge of £97 million has been recognised in connection with this endorsement and the Group expects to incur charges in the region of £60 million in the forthcoming year completing the mothballing.