

Notes to the consolidated financial statements

6 Operating profit

Continuing operations

	Notes	Year to 31 March	
		2009 £m	2008 £m
External sales		3 553	2 867
Staff costs	9	257	231
Inventories:			
– cost of inventories recognised as an expense (included in cost of sales)		2 019	1 559
– fair value loss/(gain) on derivatives held for trading (included in cost of sales)		8	(16)
– impairment of inventory recognised in the year		3	–
Depreciation of property, plant and equipment:			
– owned assets	16	109	98
– leased assets	16	3	2
Exceptional items	8	119	59
Amortisation of intangible assets:			
– intangible assets arising on acquisition of businesses	15	15	12
– other intangible assets	15	5	3
Operating lease rentals:			
– plant and machinery		27	21
Research and development expenditure		28	29
Impairment of trade receivables	23	2	–
Reversal of impairment of trade receivables	23	(3)	–
Impairment of property, plant and equipment		–	1
Government grant income, including Transitional Aid		(28)	(17)
Ineffectiveness on derivative financial instruments:			
– ineffectiveness (gain)/loss on derivatives designated as cash flow hedges	20	(4)	2
– ineffectiveness loss on derivatives designated as net investment hedges	20	1	–
Other operating expenses		828	659
Total		3 389	2 643
Operating profit from continuing operations		164	224

Discontinued operations

	Notes	Year to 31 March	
		2009 £m	2008 £m
External sales	12	852	951
Staff costs	9	4	32
Inventories:			
– cost of inventories recognised as an expense (included in cost of sales)		811	678
– fair value loss on derivatives held for trading (included in cost of sales)		–	39
Depreciation of property, plant and equipment:			
– owned assets		–	7
Exceptional items	8	22	(60)
Impairment of trade receivables	23	3	–
Amortisation of intangible assets:			
– other intangible assets		–	1
Operating lease rentals:			
– plant and machinery		–	1
Research and development expenditure		–	3
Other operating expenses		33	154
Total		873	855
Operating (loss)/profit from discontinued operations	12	(21)	96

OVERVIEW OF THE YEAR

WHAT WE DO

HOW WE PERFORMED

HOW WE RUN THE BUSINESS

STATUTORY INFORMATION