

GROUP STATEMENT OF CHANGES IN EQUITY

For the year ended 27 March 2010

	Attributable to equity shareholders							Minority interest £m	Total equity £m
	Share capital £m	Share premium account £m	Capital redemption reserve £m	Hedge reserve £m	Cumulative translation adjustment £m	Other reserve £m	Retained earnings £m		
Balance at 30 March 2008	44.6	22.5	5.5	0.7	13.4	(83.8)	210.3	2.3	215.5
Comprehensive income for the year	–	–	–	(9.3)	(9.7)	–	309.0	1.1	291.1
Share capital issued	0.8	4.0	–	–	–	–	–	–	4.8
Purchase of shares for cancellation	(0.4)	–	0.4	–	–	–	(119.3)	–	(119.3)
Allocation of treasury shares	–	–	–	–	–	–	2.2	–	2.2
Employee share scheme: – value of services provided	–	–	–	–	–	–	2.8	–	2.8
Income tax on income and expenses recognised directly in equity	–	–	–	–	–	–	0.7	–	0.7
Dividends paid	–	–	–	–	–	–	(376.7)	(0.5)	(377.2)
Balance at 29 March 2009	45.0	26.5	5.9	(8.6)	3.7	(83.8)	29.0	2.9	20.6
Comprehensive income for the year	–	–	–	4.7	0.1	–	20.9	0.5	26.2
Share capital issued	0.5	1.9	–	–	–	–	–	–	2.4
Employee share scheme: – value of services provided	–	–	–	–	–	–	1.5	–	1.5
Income tax on income and expenses recognised directly in equity	–	–	–	–	–	–	(0.1)	–	(0.1)
Dividends paid	–	–	–	–	–	–	(40.9)	(0.2)	(41.1)
Balance at 27 March 2010	45.5	28.4	5.9	(3.9)	3.8	(83.8)	10.4	3.2	9.5

Nature and purpose of other reserves

(a) Share premium account

This reserve arises from the issuance of shares for consideration in excess of their nominal value.

(b) Capital redemption reserve

The reserve represents the nominal value of shares redeemed by the Company.

(c) Hedge reserve

The reserve records the portion of any gain or loss on hedging instruments that are determined to be effective cash flow hedges. When the hedged transaction occurs, the gain or loss on the hedging instrument is transferred out of equity to the income statement. If a forecast transaction is no longer expected to occur, the gain or loss on the related hedging instrument previously recognised in equity is transferred to the income statement.

(d) Cumulative translation adjustment

This reserve records cumulative exchange differences arising from the translation of the financial statements of foreign entities since transition to IFRSs. Upon disposal of foreign operations, the related accumulated exchange differences are recycled to the income statement. This reserve also records the effect of hedging net investments in foreign operations.

(e) Other reserve

On 1 February 2000, the Company issued and credited as fully paid 191,646,873 ordinary shares of 25p each and paid cash of £103.7m to acquire the issued share capital of De La Rue plc, following the approval of a High Court Scheme of Arrangement. In exchange for every 20 ordinary shares in De La Rue plc shareholders received 17 ordinary shares plus 920p in cash. The other reserve of £83.8m arose as a result of this transaction and is a permanent adjustment to the consolidated Financial Statements.