1 September 2005

The Rank Group Plc

International Financial Reporting Standards (IFRS) Accounting Policies

Accounting polices adopted under IFRS

The basis of preparation and accounting policies used in preparing the Group's financial information from 1 January 2005 is set out below. The basis of preparation describes how IFRS has been applied under IFRS 1, the assumptions made by the Group about the Standards and Interpretations expected to be effective, and the policies expected to be adopted, when the Group issues its first complete set of IFRS financial statements for the year ended 31 December 2005. The basis of preparation and accounting policies, including exemptions applied under IFRS 1 are unchanged from those disclosed in the Group's 2004 IFRS restatement published on 15 July 2005.

However, the basis of preparation and accounting policies may require adjustment before the Group issues its first complete set of IFRS financial statements. Standards currently in issue and endorsed by the EU are subject to Interpretations issued by the International Financial Reporting Committee ('IFRIC'), and further Standards may be issued by the International Accounting Standards Board ('IASB') that will be adopted by the Group in its first complete set of IFRS financial statements for the year ended 31 December 2005. Also, the Group's accounting policies reflect certain Standards and Interpretations, which have yet to be endorsed by the EU.

Basis of preparation of the Group's Financial Statements

From 1 January 2005, the Group's financial statements will be prepared in accordance with International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRC") interpretations and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS. The financial information will be prepared under the historical cost convention as modified by the revaluation of available for sale investments and, financial assets and liabilities held for trading. A summary of the more important group accounting policies is set out below. Except where noted below, these policies have been consistently applied.

The preparation of financial information, in conformity with GAAP, requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial information and the reported amounts of revenues and expenses during the reporting period. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are set out in the relevant accounting policies discussed below. The best estimate of the directors may differ from the actual result.

Changes in Accounting Policy

On transition to IFRS, the Group recognised all assets and liabilities as required by IFRS and derecognised all assets and liabilities not permitted by IFRS. Assets and liabilities were all measured in accordance with IFRS. Except where noted below, IFRS recognition and measurement principles were applied retrospectively.

The impact of transition to IFRS on the Group's shareholders' funds as at 1 January 2004, 30 June 2004 and 31 December 2004, and the Group's income statement for the periods ended 30 June 2004 and 31 December 2004 is also discussed on the Group's website, www.rank.com.

In accordance with IFRS 1, management has elected not to apply IAS 32, "Financial Instruments: Disclosure and Presentation" and IAS 39, "Financial Instruments: Recognition and Measurement" to the Group's shareholders funds as at 1 January 2004, 30 June 2004 and 31 December 2004, and the Group's income statement for the periods ended 30 June 2004 and 31 December 2004. For these periods, the group has recognised Financial Instruments as previously accounted for under UK GAAP. IAS 32 and 39 will be applied from 1 January 2005.

In accordance with IFRS 1, management has also elected not to apply IFRS 3, "Business combinations" to business combinations that occurred before the date of transition, 1 January 2004. Business combinations that occurred before the date of transition are consolidated in accordance with UK GAAP. Any un-amortised goodwill at 1 January 2004, calculated in accordance with UK GAAP, has now been deemed to be cost.

In accordance with the amendment to IAS 19, "Employee Benefits", the Group has recognised in the Statement of Recognised Income and Expense those actuarial gains and losses relating to employee benefit schemes in full at 1 January 2004, in expectation of the amendment being endorsed by 31 December 2005.

Management has elected to take advantage of IFRS 1 exemption from the provisions of IAS 21, "The Effects of Changes in Foreign Exchange Rates" for the cumulative translation differences that existed at the date of IFRS transition. Consequently, cumulative translation differences on retranslation of subsidiaries net assets as at 1 January 2004 have been set to zero.

B Consolidation

(a) Subsidiaries

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies as applied to subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Associates and Joint Ventures

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition (net of any accumulated impairment loss).

Joint ventures are all entities over which the Group exercises joint control. Investments in joint ventures are accounted for by the equity method of accounting and are initially recognised at cost, in accordance with the alternative treatment allowed by IAS 31. The Group's investment in joint ventures includes goodwill identified on acquisition (net of any accumulated impairment loss).

The Group's share of its associates and joint ventures' post-acquisition profits or losses after tax is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses after tax in an associate or joint venture equals or exceeds its interest or participation, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest or participation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies as applied to associated and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

C Revenue recognition

Revenue consists of the fair value of sales of goods and services, net of value added tax, contract advance amortisation, rebates and discounts.

(a) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and benefits of ownership of the product have transferred to the buyer, which may be upon shipment or upon completion of the product and the product being ready for delivery, based on the specific contract terms.

(b) Sale of services

Revenue from services is recognised in the accounting year the services have been rendered, by reference to the stage of completion of the transaction at the balance sheet date. Turnover for casinos include the gaming win before deduction of gaming duty and turnover for bingo includes gross profits tax. Turnover for Blue Square including sportsbetting and online casinos represents settled stakes.

(c) Sale of recovered materials

Recovered products are deemed to have an immaterial realisable value compared with the cost of production materials. Income from the sale of recovered materials is not recognised as such, being offset against the materials cost.

(d) Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

D Contract advances

The Deluxe businesses enter into trade contracts with major customers that span several years. As part of these contracts, Deluxe provides advance cash payments to the customers.

Deluxe capitalises the total commitment payable under each contract within debtors at the date of the agreement and records a corresponding liability on the balance sheet for any outstanding unpaid amounts.

These capitalised contract advances are amortised over the life of the contract on the basis of management’s estimates of total units (Deluxe Media) and footage (Deluxe Film), unless the terms of the contract indicate an alternative treatment would be more appropriate.

Revenue in the profit and loss account is stated net of contract advance amortisation.

E Segmental reporting

Management has identified business segments as its primary reporting segments. A business segment is defined as a group of assets and operations engaged in providing products and services that are subject to risks and returns different from those of the other business segments.

Management has identified geographical segments as its secondary reporting segments. A geographical segment is engaged in providing products and services in a particular economic environment, that are subject to risks and returns different from those of a segment operating in other economic environments. Segment assets and liabilities are the result of segment operating activities and are either directly attributable to the segment or can be allocated to the segment on a reasonable basis.

Segment revenue is revenue from operating activities directly attributable to a segment and the relevant portion of enterprise revenue that can be allocated on a reasonable basis to a segment, whether from sales to external customers or from transactions with other segments of the same enterprise.

Segment expense is expense resulting from the operating activities of a segment that is directly attributable to the segment and the relevant portion of an expense that can be allocated on a reasonable basis to the segment, including expenses relating to sales to external customers and expenses relating to transactions with other segments of the same enterprise.

F Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in UK Sterling, which is the Company's functional and presentational currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except where hedging criteria are met.

Translation differences on non-monetary items, such as equities held at fair value through profit or loss are reported as part of the fair value gain or loss. Translation differences on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
(ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
(iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

G Financial instruments

Management has elected not to apply IAS 32, “Financial Instruments: Disclosure and Presentation” and IAS 39, “Financial Instruments: Recognition and Measurement” to the Group’s shareholders funds as at 1 January 2004, 30 June 2004 and 31 December 2004, and the Group’s income statement for the periods ended 30 June 2004 and 31 December 2004. For these periods, the group has recognised Financial Instruments as previously accounted for under UK GAAP as set out in the Group’s statutory financial statements for the year ended 31 December 2004.

Rank uses derivatives to manage the level of fixed and floating rate debt within the Group. These derivatives are deemed to be highly effective and will result in minimal income statement volatility.

Rank also hedges the translation risk from its net investment in overseas subsidiaries using foreign exchange forwards and swaps. These derivatives will be accounted for using the cash-flow hedge accounting methodology, with any translation gains and losses being recorded in reserves.

The Group hedges material currency sales and purchases of subsidiary entities using foreign exchange derivatives. Procedures are in place to ensure that Rank can elect to account for these derivatives using the hedge accounting rules.

All non-derivative financial assets and liabilities, including non-equity accounted investments have been designated and measured as appropriate. Where financial instruments are remeasured to reflect the fair value of the instrument, any changes in fair value are taken to the Income Statement or directly to reserves, as appropriate.

The equity component of the Group’s £167m 3.875% convertible bond was valued at the date of issue and has been classified as equity. The equity component is being amortised through the Income Statement over the life of the bond.

H Leases

Leases are tested to determine whether the lease is a finance or operating lease and treated accordingly. Property leases comprising a lease of land and a lease of buildings within a single contract are split into its two component parts before testing.

(a) Financial leases

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property, plant and equipment or the present value of minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The corresponding rental obligations, net of finance charges, are included on other long-term borrowings. The interest element of the finance cost is charged to the income statement over the lease period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset or the lease term.

(b) Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases, net of lease incentives or premiums, are charged on the income statement on a straight line basis over the period of the lease.

I Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Where the obligation is expected to be settled over a period of years, e.g. onerous contracts, the provision is discounted using a discount rate appropriate to the nature of the provision.

(a) Onerous contracts

The Group is party to a number of leasehold property contracts. Provision has been made against those leases where the property is now vacant and the unavoidable costs under the lease exceed the economic benefit expected to be derived from potential sub-letting arrangements. Provision has also been made against leases where impairment testing has indicated that, after recognising an impairment charge, the estimated discounted cash flows derived from the property and its associated operations are insufficient to cover the unavoidable lease costs.

(b) Deluxe Media Services restructuring

Deluxe Media Services incurred restructuring charges as it repositioned itself as a DVD replicator to reflect the radical changes in the home entertainment market. Restructuring charges were also incurred following the Group's decision to exit the market by means of a trade sale.

(c) Other provisions

Other provisions comprise legal provisions and provisions on disposal of businesses.

Legal provisions comprise legal fees and expected settlement costs. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions on disposal were established in 2000 following the disposal of Nightscene, Odeon Cinemas, Pinewood Studios, Tom Cobleigh and UK Holidays and later in 2004 following the disposal of Rank Leisure Machine Services. The provision remaining relates to outstanding insurance, potential warranty claims and other potential obligations entered into by the Group as a result of the sale processes.

J Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost less their residual values over their estimated useful lives, as follows:

- Freehold and leasehold property 50 years or their useful life if less;
- Refurbishment of property 3 - 15 years;
- Equipment and others 3 - 20 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

Pre-opening costs are expensed to the income statement as incurred.

K Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/joint venture or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of joint ventures is included in investments in joint ventures. Goodwill on acquisitions of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at amortised cost as at 1 January 2004 plus cost for any acquisition completed after 1 January 2004 less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold, except where goodwill has been previously written off directly to reserves under previous GAAP.

Goodwill is allocated to the relevant cash-generating unit for the purpose of impairment testing. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Goodwill arising on acquisitions made before 31 December 1997 has been written off directly to reserves.

(b) Computer software and other development costs

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives (three to five years).

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the employee costs for software development.
Computer software development costs recognised as assets are amortised over their estimated useful lives.

(c) Casino licences

The Group capitalises purchased casino licences. The amount capitalised is the difference between the price paid for a casino property and the associated licence and the fair value of a similar property without a casino licence. Management believes that casino licences have indefinite lives as based on all relevant factors there is no foreseeable limit to the period over which the licences are expected to generate net cash inflows. Each licence is reviewed annually for impairment.

Any costs incurred to obtain a 'cold' casino licence or renewing casino licences annually are expensed as incurred.

(d) Other purchased intangible assets

If purchased, the Group capitalises the costs of other intangible assets such as brands, trademarks and customer relationships. Costs incurred to internally generate these intangible assets are expensed as incurred. For business combinations occurring after 1 January 2004, purchased intangible assets are capitalised on the balance sheet at fair value on acquisition. Purchased intangible assets with infinite lives are tested annually for impairment and are carried at cost less accumulated impairment losses. The valuation of purchased intangible assets and determining the useful economic life involves management making assumptions and estimates, which are highly judgmental and susceptible to change. Purchased intangible assets with finite lives are amortised over their useful economic lives.

L Impairment of fixed tangible assets and intangible assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the high of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

The expected cash flows generated by the assets are discounted using asset specific discount rates, which reflect the risks associated with the groups of assets.

Goodwill capitalised is no longer amortised and is reviewed annually for impairment.

M Employee benefit costs

(a) Pension obligations

Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to income over the employees' expected average remaining working lives.

Past-service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case, the past-service costs are amortised on a straight-line basis over the vesting period.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

(c) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

(d) Bonus plans

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(e) Holiday pay

The Group recognises an appropriate liability for the cost of holiday entitlements not taken at the balance sheet date.

N Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventory is determined on a "first in – first out" basis.

The cost of finished goods and work in progress comprises raw material, direct labour, other direct costs and related production overhead (based on normal operating capacity) but excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and selling expenses. When necessary, provision is made for obsolete and slow moving inventories.

O Deferred income tax

Current tax is applied to taxable profits at the rates ruling in the relevant country.

Deferred tax is provided in full, using the balance sheet liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if deferred income tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

P Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Q Trade receivables

Trade receivables are carried at original invoice amount, including value added tax, less an estimate made for doubtful receivables based on a review of all outstanding amounts at the period end and on historical performance. Bad debts are written off during the period in which they are identified.

Management assess the maturity of the trade receivables and consequently report them as current, if falling due within one year, or non current, as appropriate.

R Borrowings

Borrowings are recognised at cost, which is deemed to be materially the same as the fair value, net of transaction costs incurred. Any difference between proceeds and redemption value is recognised in the income statement using the effective interest method.

Borrowings are classified as current liabilities unless the Group has unconditional right to defer settlement of the liability for at least 12 months at the balance sheet date.

S Discontinued Operations

Operations of the Group are recognised as discontinued operations if the operations have been disposed of or meet the criteria to be classified as held for sale. Operations held for sale are held at the lower of cost and fair value less costs to sell.

T Dividends

Dividends proposed by the Board of Directors and unpaid at the period end are not recognised in the financial statements until they have been approved by shareholders at the Annual General Meeting. Interim dividends are recognised when paid.