NOTES TO THE COMPANY ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2006

1 ACCOUNTING POLICIES

Basis of preparation

The separate accounts of the parent Company are presented as required by the Companies Act 1985.The accounts have been prepared under the historic cost convention and in accordance with applicable accounting standards in the United Kingdom.

In applying these policies management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the accounts and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

No profit and loss account is presented by the Company as permitted by Section 230 of the Companies Act 1985.

Leases

Leases of tangible fixed assets where substantially all the risks and rewards of ownership of the asset have passed to the Company, are classified as finance leases and are capitalised in the balance sheet as plant and equipment. Finance leases are capitalised at the fair value of the present value of the minimum lease payments. The capital element of future obligations under hire purchase contracts and finance leases is included as a liability in the balance sheet. The interest element of rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets acquired under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals paid under operating leases are charged to the profit and loss account on a straight-line basis over the term of the lease. Incentives received under operating leases and initial direct costs in negotiating the lease are amortised to the profit and loss account on a straight-line basis over the term of lease, or to the first review if shorter.

Tangible fixed assets

Tangible fixed assets are stated at historic cost less accumulated depreciation and any impairment. Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Plant and equipment – 3 to 10 years

The carrying value of fixed assets are reviewed for impairment if events or changes in circumstances indicate that the current carrying value may not be recoverable, and are written down immediately to their recoverable amount. Repairs and maintenance are charged to the profit and loss account during the financial period in which they are incurred.

Investments in subsidiaries

Investments are held at historic cost less any provision for impairment.

Available for sale investments

Available for sale financial assets are non-derivative financial assets that are designated as such, or that are not classified in any of the other categories. After initial recognition these assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or the investment is determined to be impaired, at which time the previously reported cumulative gain or loss is included in the income statement. Where there is no active market for the Group's investments, fair value is determined using valuation techniques including recent commercial transactions and discounted cash flow analyses. In the absence of any other reliable external information, assets are carried at amortised cost.

Interest bearing loans and borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of issue costs. Issue costs are amortised over the expected life of the instrument. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Hedge accounting is adopted where derivatives such as fixed to floating interest rate swaps are held as fair value hedges against fixed interest rate borrowings. Under fair value hedge accounting, fixed interest rate borrowings are revalued at each balance sheet date by the change in fair value attributable to the interest rate being hedged.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed the reimbursement is recognised as a separate asset but only when reimbursement is virtually certain.

1 ACCOUNTING POLICIES (CONTINUED)

Pensions

The Company participates in both the National Express Group multi-employer funded defined benefit scheme and a defined contribution scheme. The Company is unable to identify its share of the underlying assets and liabilities of the multi-employer scheme on a consistent and reasonable basis, and therefore has accounted for the scheme as if it were a defined contribution scheme under the requirements of FRS 17, "Retirement Benefits".

Share-based payment

In accordance with the transition provisions, FRS 20 "Share-based payment" has been applied to all grants after 7 November 2002 that were unvested as of 1 January 2005.

The Company issues equity-settled share-based payment to certain employees. Equity-settled share-based payments are measured at fair value at the date of grant by an external valuer using a stochastic model. Non-market-based performance-related vesting conditions are not taken into account when estimating the fair value; instead those non-market conditions are taken into account in calculating the current best estimate of the number of shares that will eventually vest and at each balance sheet date before vesting. The cumulative expense is calculated based on that estimate. Market-based performance conditions are taken into account when determining the fair value and at each balance sheet date before vesting, the cumulative expense is calculated irrespective of whether or not the market conditions are satisfied, provided that all other performance conditions are met.

Deferred tax

Deferred tax is recognised in respect of all material timing differences that have originated, but not reversed, by the balance sheet date. Deferred tax is measured on a non-discounted basis at tax rates that are expected to apply in the periods in which the timing differences reverse based on tax rates and laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised where their recovery is considered more likely than not in that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted.

Foreign currencies

Foreign currency assets and liabilities are translated into sterling at the rates of exchange ruling at the year end. Foreign currency transactions arising during the year are translated into sterling at the rate of exchange ruling on the date of the transaction. Any exchange differences so arising are dealt with through the profit or loss account.

Derivative financial instruments

The Company uses derivative financial instruments such as foreign currency contracts and interest rate swaps to hedge its risks associated with foreign currency and interest rate fluctuations. Such derivative financial instruments are initially recognised at fair value and subsequently remeasured to fair value for the reported balance sheet. The fair value of forward exchange contracts and interest rate swaps is calculated by reference to market exchange rates and interest rates at the period end.

In relation to cash flow hedges which meet the conditions for hedge accounting, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised directly in equity, and the ineffective portion in the profit and loss account. The gains or losses deferred in equity in this way are recycled through the profit and loss account in the same period in which the hedged underlying transaction or firm commitment is recognised in the profit and loss account.

For derivatives that do not qualify for hedge accounting, including the foreign currency contracts gains or losses are taken directly to the profit and loss account in the period.

Hedge accounting is discontinued when the hedging instrument expires, is sold, terminated or exercised, or no longer qualifies for hedge accounting.

2 EXCHANGE RATES

The most significant exchange rates to the pound for the Company are as follows:

	Closing rate 2006	**Average rate 2006**	Closing rate 2005	Average rate 2005
US dollar	**1.96**	**1.85**	1.72	1.82
Canadian dollar	**2.28**	**2.09**	2.00	2.20
Euro	**1.48**	**1.47**	1.45	1.47
Australian dollar	**2.48**	**2.44**	2.35	2.39

The 2005 average rate for euros reflects the average rate since the Alsa acquisition.

3 DIRECTORS' EMOLUMENTS

Detailed information concerning Directors' emoluments, shareholdings and options is shown in the Report on Directors' Remuneration.

NOTES TO THE COMPANY ACCOUNTS
CONTINUED

4 TANGIBLE FIXED ASSETS

	Plant and equipment £m
Cost:	
At 1 January 2006	4.5
Additions	0.3
Disposals	(1.4)
At 31 December 2006	**3.4**
Depreciation:	
At 1 January 2006	3.3
Charge for the year	0.5
Disposals	(1.4)
At 31 December 2006	**2.4**
Net book value:	
At 31 December 2006	**1.0**
At 31 December 2005	1.2

Tangible fixed assets held under finance lease agreements are analysed as follows:

	2006 £m	2005 £m
Plant and equipment		
– cost	**0.2**	0.2
– depreciation	**(0.1)**	(0.1)
	0.1	0.1

Leased assets and assets under hire purchase contracts are pledged as security for the related finance lease and hire purchase liabilities.

5 FINANCIAL ASSETS: OTHER INVESTMENTS

	Investments in subsidiaries £m	Available for sale investments £m	Total £m
Cost or valuation:			
At 1 January 2006	1,557.8	12.8	1,570.6
Additions	1.5	–	1.5
Disposals	(272.9)	–	(272.9)
At 31 December 2006	**1,286.4**	**12.8**	**1,299.2**
Provisions			
At 1 January 2006	(413.4)	(5.8)	(419.2)
At 31 December 2006	**(413.4)**	**(5.8)**	**(419.2)**
Net carrying amount:			
At 31 December 2006	**873.0**	**7.0**	**880.0**
At 31 December 2005	1,144.4	7.0	1,151.4

The information provided below is given for the Company's principal subsidiaries. A full list of subsidiaries and investments will be annexed to the next Annual Return to Companies House. The principal country of operation in respect of the companies below is the country in which they are incorporated.

National Express Group PLC is the beneficial owner of all the equity share capital, either itself or through subsidiary undertakings, of the companies. The Group's train passenger services in the UK are operated through franchises awarded by DfT Rail, as delegated by the UK Government.

5 FINANCIAL ASSETS: OTHER INVESTMENTS (CONTINUED)

The following holdings are 100% held directly by the Company:

Incorporated in England and Wales	
National Express Holdings Limited	Holding company for UK Coach operating companies
National Express Guernsey Limited	Insurance captive
National Express Group Holdings Limited	Holding company for US operating companies
National Express Overseas Limited	Holding company for discontinued Australian business
National Express Trains Limited	Holding company for UK Train operating companies
National Express Transport Holdings Limited	Holding company for UK Bus and Canadian operating companies
National Express European Holdings Limited	Holding company for Spanish operating companies

Other investments include:

Name	County of registration	Class of share	Proportion held %
Inter-Capital and Regional Rail Limited	England and Wales	Ordinary shares	40
London & Continental Railways	England and Wales	Ordinary shares	21
Prepayment Cards Limited	England and Wales	Ordinary shares	23.5
Union Railways (South) Limited	England and Wales	Preference shares	21

6 DERIVATIVES

	2006 £m	2005 £m
Interest rate swaps	**0.3**	–
Financial assets due over one year	**0.3**	–
Interest rate swaps	**1.5**	–
Foreign exchange forward contracts	**6.6**	–
Financial assets due under one year	**8.1**	–
Interest rate swaps	**(5.7)**	(8.3)
Financial liabilities due over one year	**(5.7)**	(8.3)
Interest rate swaps	**(2.1)**	(4.1)
Foreign exchange forward contracts	**–**	(9.3)
Financial liabilities due under one year	**(2.1)**	(13.4)

Full details of the Group's financial risk management objectives and policies can be found in note 30 of the Group accounts. As the holding company for the Group, the Company faces similar risks over foreign currency and interest rate movements.

7 DEBTORS

	2006 £m	2005 £m
Trade debtors	**0.3**	0.3
Amounts owed by subsidiary undertakings	**874.9**	694.5
Corporation tax recoverable	**18.6**	4.6
Deferred tax asset	**3.0**	6.3
Other debtors	**5.5**	3.4
Prepayments and accrued income	**0.8**	6.2
	903.1	715.3

Credit risk with respect to debtors is low due to the fact that a large amount of the Company's balances are with subsidiary undertakings that it controls.

Included within prepayments is £0.6m (2005: £0.7m) which is recoverable after more than one year.

NOTES TO THE COMPANY ACCOUNTS
CONTINUED

8 CASH AT BANK AND IN HAND

	2006 £m	2005 £m
Other short-term deposits	**19.0**	–
Cash at bank	**1.7**	–
	20.7	–

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. The fair value of cash matches the carrying value.

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2006 £m	2005 £m
Bank loans	**–**	184.5
Bank overdrafts	**9.2**	49.1
Trade creditors	**2.3**	2.8
Amounts owed to subsidiary undertakings	**777.5**	698.1
Finance lease obligations	**–**	0.1
Accruals and deferred income	**4.7**	7.8
Other creditors	**6.0**	0.8
	799.7	943.2

Trade creditors are non-interest bearing and are normally settled on 30 day terms and other creditors are non-interest bearing and have an average term of six months.

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2006 £m	2005 £m
Bank loans	**458.0**	410.0

11 PROVISIONS FOR LIABILITIES AND CHARGES

	Insurance claims[a] £m	Deferred tax[b] £m	Eurostar onerous contract[c] £m	Total £m
At 1 January 2006	0.7	–	–	0.7
Provided in the year	0.6	–	29.6	30.2
Amortisation of discount	–	–	1.0	1.0
Utilised in the year	(0.4)	–	–	(0.4)
At 31 December 2006	**0.9**	**–**	**30.6**	**31.5**

(a) The insurance claims provision arises from estimated exposures at the year end, the majority of which will be utilised in the next six years and comprise provisions for existing claims arising in the UK.

(b) See note 12 for further details on deferred tax.

(c) The Company has recognised an onerous contract provision to reflect its obligations to meet its share of the operating losses of Inter-Capital and Regional Rail Ltd.

12 DEFERRED TAX

The major components of the provision for deferred taxation are as follows:

	2006 £m	2005 £m
Accelerated capital allowances	**0.1**	–
Other timing differences	**2.9**	6.3
Net deferred tax asset at 31 December	**3.0**	6.3

The reconciliation of deferred tax balances is as follows:

	£m
Deferred tax asset at 1 January 2006	6.3
Charged to profit and loss	(2.1)
Credited to equity in relation to cash flow hedges and share-based payments	(1.2)
Deferred tax asset at 31 December 2006	**3.0**

Timing differences associated with group investments

No deferred tax (2005: £nil) is recognised on the unremitted earnings of subsidiaries and associates. The Group has determined that undistributed profits of its overseas subsidiaries will not be distributed in the near future.

Unrecognised tax losses

There is no recognition of the deferred tax asset in relation to the capital losses since there is insufficient evidence to determine that they are recoverable. Deferred tax assets that the Company has not recognised in the accounts amount to £nil (2005: £0.4m).

13 INTEREST BEARING LOANS AND BORROWINGS

The effective interest rates at the balance sheet date were as follows:

	Maturity	2006 £m	Effective interest rate	2005 £m	Effective interest rate
Current					
Bank overdraft	On demand	**9.2**	BASE +1.0%	49.1	BASE +1.0%
Short-term sterling bank loans		**–**	–	12.2	5.2%
Short-term US dollar bank loans		**–**	–	0.3	4.8%
Short-term euro bank loans		**–**	–	0.2	2.9%
Euro bank unhedged		**–**	–	34.4	EURIBOR +0.4%
Euro bank loans subject to interest hedge		**–**	–	137.4	2.8%
Bank loans		**–**		184.5	
Sterling finance leases		**–**	–	0.1	5.4%
Total current		**9.2**		233.7	
Non-current					
Sterling bank loans		**–**	–	9.4	LIBOR +0.4%
US dollar bank loans subject to interest rate hedge	June 2011	**51.0**	7.3%	58.1	7.3%
US dollar bank loans unhedged	June 2011	**45.9**	LIBOR +0.4%	104.6	LIBOR +0.4%
Euro bank loans subject to interest rate hedge	June 2011	**235.8**	3.6%	–	–
Euro bank loans at floating rates	June 2011	**84.2**	EURIBOR +0.4%	202.9	EURIBOR +0.4%
Canadian dollar bank loans	June 2011	**41.1**	LIBOR +0.4%	35.0	LIBOR +0.4%
Bank loans		**458.0**		410.0	
Total non-current		**458.0**		410.0	

Details of the Company's interest rate management strategy and interest rate swaps are included in note 30 of the Group accounts.

14 CALLED-UP SHARE CAPITAL

	2006 £m	2005 £m
At 31 December:		
Authorised:		
200,000,000 (2005: 200,000,000) ordinary shares of 5p each	**10.0**	10.0
Issued called-up and fully paid:		
153,835,012 (2005: 150,920,310) ordinary shares of 5p each	**7.7**	7.5

Movement in ordinary shares during the year	£m	Number of shares
At 1 January 2005	7.0	139,153,158
Issue of shares in consideration for acquisition of Alsa	0.7	13,503,600
Exercise of share options	–	957,141
TWM SIP appropriation	–	206,411
Shares purchased and cancelled	(0.2)	(2,900,000)
At 1 January 2006	7.5	150,920,310
Exercise of share options	0.2	2,914,702
At 31 December 2006	**7.7**	**153,835,012**

The total number of share options exercised in the year by employees of the Group was 3,100,807 (2005: 1,856,558) of which 2,914,702 (2005: 957,141) exercises were satisfied by newly issued shares and 186,105 (2005: 899,417) exercises were satisfied by transferring shares from the National Express Employee Benefit Trust.

15 SHAREHOLDERS' FUNDS AND STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital £m	Share premium £m	Capital redemption reserve £m	Own shares £m	Hedging reserve £m	Profit and loss account £m	Total £m
At 1 January 2006	7.5	174.2	0.2	(5.1)	(7.1)	322.6	492.3
Shares issued	0.2	15.6	–	–	–	–	15.8
Shares purchased	–	–	–	(11.6)	–	–	(11.6)
Share-based payments	–	–	–	–	–	1.0	1.0
Tax on share-based payments credited to reserves	–	–	–	–	–	2.4	2.4
Hedge movements	–	–	–	–	3.0	–	3.0
Profit for the year	–	–	–	–	–	13.3	13.3
At 31 December 2006	**7.7**	**189.8**	**0.2**	**(16.7)**	**(4.1)**	**339.3**	**516.2**

Own shares comprise treasury shares and shares held in the Employee Benefit Trust.

Treasury shares include 1,825,000 (2005: 400,000) ordinary shares in the Company. During the year the Group repurchased 1,425,000 (2005: 3,300,000) shares for consideration of £11.6m (2005: £29.3m). 1,425,000 (2005: 400,000) shares have been retained as treasury shares within equity for future issue under the Group's share schemes or cancellation. No shares were cancelled during the year (2005: 2,900,000).

Own shares include 663,351 (2005: 849,456) ordinary shares in the Company that have been purchased by the Trustees of the National Express Employee Benefit Trust (the 'Trust'). During the year, the Trust purchased no (2005: 5,329) shares and 186,105 (2005: 899,417) shares were uesd to satisfy options granted under a number of the Company's share schemes. The value of shares within the Trust has been recognised as an investment in treasury shares. The market value of these shares at 31 December 2006 was £7.5m (2005: £7.3m). The dividends payable on these shares have been waived.

The profit and loss reserve for the Company includes £20.8m (2005: £12.2m) that is non-distributable on account of own shares held and the hedging reserve.

16 RETIREMENT BENEFITS

The Company participates in both the National Express Group multi-employer funded defined benefit scheme and a defined contribution scheme. The Company is unable to identify its share of the underlying assets and liabilities of the multi-employer scheme on a consistent and reasonable basis, and therefore has accounted for the scheme as if it were a defined contribution scheme under the requirements of FRS 17, 'Retirement Benefits'. Contributions to this scheme are determined by independent professionally qualified actuaries. The details of the latest actuarial valuation are detailed in note 35 to the Group accounts.

The pension charge for the year amounted to £1.1m (2005: £1.1m).

17 SHARE-BASED PAYMENT

During the year ended 31 December 2006, the Company had the following share-based payment arrangements, which are described in note 7 to the Group accounts:

- Executive Share Option Plan
- Savings Related Share Option Scheme (Sharesave Scheme)
- Long Term Incentive Plan (LTIP)
- Share Matching Plan (SMP)
- Deferred Annual Share Bonus Plan

For the following disclosure, share options with a nil exercise price have been disclosed separately to avoid distorting the weighted average exercise prices. The number of share options in existence during the year was as follows:

	2006		2005	
	Number of share options	**Weighted average exercise price (p)**	Number of share options	Weighted average exercise price (p)
Options without a nil exercise price:				
At 1 January	**1,759,870**	**574**	1,879,335	573
Granted during the year	**–**	**–**	–	–
Lapsed during the year	**(24,304)**	**985**	(75,352)	583
Exercised during the year	**(1,242,443)**	**511**	(44,113)	520
Outstanding at 31 December[1]	**493,123**	**689**	1,759,870	574
Exercisable at 31 December	**38,679**	**782**	295,632	790
Options with a nil exercise price:				
At 1 January	**462,337**	**nil**	9,352	nil
Granted during the year	**472,790**	**nil**	455,009	nil
Lapsed during the year	**(2,243)**	**nil**	(2,024)	nil
Exercised during the year	**(2,093)**	**nil**	–	–
Outstanding at 31 December	**930,791**	**nil**	462,337	nil
Exercisable at 31 December	**–**	**–**	–	–
Total outstanding at 31 December	**1,423,914**		2,222,207	
Total exercisable at 31 December	**38,679**		295,632	

1 Included within this balance are options over 35,487 (2005: 629,339) shares for which no expense has been recognised in accordance with the transitional provisions of FRS 20, as the options were granted before 7 November 2002 and have not been subsequently modified.

The options outstanding at 31 December 2006 had exercise prices that were between 398p and 862.5p (2005: between 398p and 1224p) excluding options with a nil exercise price. The range of exercise prices for options was as follows:

Exercise price (p)	**2006**	2005
350 – 650	**8,679**	1,072,093
650 – 950	**484,444**	642,777
950 – 1250	**–**	45,000
	493,123	1,759,870

The options have a weighted average contractual life of four years (2005: seven years). Options were exercised throughout the year and the weighted average share price at exercise was 919p (2005: 875p).

17 SHARE-BASED PAYMENT (CONTINUED)

The weighted average fair value of the remaining share options granted during the year was calculated using a stochastic model, with the following assumptions and inputs:

	Share options with nil exercise price	
	2006	2005
Risk free interest rate	**–**	–
Expected volatility	**19.0%**	25.0%–27.0%
Peer group volatility	**29.7%–31.2%**	34.0%
Expected option life in years	**3 years**	3 years
Expected dividend yield	**3.4%–3.5%**	3.3%–3.4%
Weighted average share price	**931p–1033p**	888p–906p
Weighted average exercise price	**0p**	0p
Weighted average fair value of options granted	**369p–934p**	561p–821p

Experience to date has shown that approximately 15% (2005: 15%) of options are exercised early, principally due to redundancies. This has been incorporated into the calculation of the expected option life for the share options without nil exercise price.

Expected volatility in the table above was determined from historic volatility over the last eight years, adjusted for one-off events that were not considered to be reflective of the volatility of the share price going forward. The expected dividend yield represents the dividends declared in the 12 months preceding the date of the grant divided by the average share price in the month preceding the date of the grant.

For share options granted during the year under the LTIP, the TSR targets have been reflected in the calculation of the fair value of the options above.

18 COMMITMENTS AND CONTINGENCIES

Operating lease commitments

The Company has entered into operating leases on certain properties. Commitments for future minimum rental payments are shown below:

	Land and buildings	
	2006 £m	2005 £m
Operating leases which expire:		
Within two to five years	**0.6**	0.6

Contingent liabilities

a) Guarantees

The Company has guaranteed credit facilities totalling £101.6m (2005: £99.8m) of certain subsidiaries.

b) Bonds and letters of credit

In the ordinary course of business, the Company is required to issue counter-indemnities in support of its subsidiaries' operations. As at 31 December 2006, there were UK Train performance bonds of £46.9m (2005: £44.6m) and UK Train season ticket bonds of £86.3m (2005: £100.0m). The Company has other performance bonds which include the £15.0m (2005: £14.6m) performance bond in respect of Inter-Capital and Regional Rail Limited and performance bonds in respect of businesses in the United States of £49.2m (2005: £34.5m) and the rest of Europe of £31.8m (2005: £9.6m). Letters of credit have been issued to support insurance retentions of £82.1m (2005: £84.7m).

c) Claims

The Directors' Report discloses that Ray O'Toole and Phil White have been joined as defendants in proceedings being brought before the Supreme Court of New South Wales. These proceedings relate to a period of time when Ray O'Toole and Phil White were directors of Bosnjak Holdings Pty Ltd, which was a subsidiary of the Group. The Company is also a defendant to these proceedings. The Directors believe no liabilities will arise from these proceedings and therefore no provision has been made at 31 December 2006.

19 RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption in paragraph 3c of FRS 8, 'Related party disclosures' from disclosing transactions with related parties that are part of the National Express Group or investees of the Group.

FIVE YEAR SUMMARY

Year ended 31 December	**IFRS 2006 £m**	IFRS 2005 £m	IFRS 2004 £m	UK GAAP 2003 £m	UK GAAP 2002 £m
Revenue	**2,525.5**	2,216.0	2,354.5	2,565.7	2,572.3
Normalised* operating profit	**184.8**	155.5	143.3	128.9	125.9
Group operating profit	**141.6**	109.5	99.9	83.2	67.2
Profit before tax	**104.1**	89.3	77.9	54.1	(85.6)
Statistics					
Basic earnings/(loss) per share	**50.7p**	(2.0)p	45.7p	31.9p	(80.0)p
Normalised* diluted earnings per share	**76.5p**	76.3p	69.3p	50.1p	52.3p
Dividends per share	**34.75p**	32.25p	30.0p	26.0p	24.5p
Net assets	**345.5**	312.3	266.8	264.2	262.6
Net (debt)/funds					
Cash in bank and in hand	**143.6**	145.5	147.2	97.0	93.7
Other debt receivable	**–**	1.0	1.0	–	–
Loan notes	**(0.8)**	(0.8)	(7.5)	(8.4)	(9.1)
Bank and other loans	**(478.1)**	(594.5)	(215.5)	(324.4)	(361.2)
Bank overdrafts	**–**	(5.5)	–	(0.2)	–
Finance lease obligations	**(103.1)**	(109.1)	(61.8)	(53.1)	(58.0)
	(438.4)	(563.4)	(136.6)	(289.1)	(334.6)
Net gearing	**127%**	180%	51%	109%	127%

*Normalised results are defined as the statutory results before the following as appropriate: profit or loss on sale of businesses, exceptional profit or loss on sale of non-current assets and charges for goodwill impairment, intangible asset amortisation, property, plant and equipment impairments, exceptional items and tax relief on qualifying exceptional items.