

Statement of Recognised Income and Expenses

For the year ended 31 December 2005

	Notes	Group		Company	
		2005 \$million	2004 \$million	2005 \$million	2004 \$million
Exchange differences on translation of foreign operations		(90)	96	–	–
Actuarial losses on retirement benefits	35	(150)	(5)	–	–
Available for sale investments:					
Valuation gains taken to equity		7	–	–	–
Transferred to income on disposal/redemption		(107)	–	–	–
Cash flow hedges:					
Losses taken to equity		(65)	–	–	–
Gains transferred to income for the year		(20)	–	–	–
Deferred tax on items recognised directly in equity		141	1	–	–
Other		1	23	2	–
		(283)	115	2	–
Profit for the year		1,971	1,621	796	663
Total recognised income and expenses for the year		1,688	1,736	798	663

Effect of change in accounting policy

Effect of adopting IAS 32 and 39 on 1 January 2005:

Available for sale reserve		73
Cash flow hedge reserve		42
Retained earnings		36
	38	151
		1,839

Attributable to:

Parent company shareholders	38	1,814	1,693	798	663
Minority interests	39	25	43	–	–
		1,839	1,736	798	663

As more fully explained in note 55, financial instrument accounting is determined on different bases in 2005 and 2004 due to the transitional provisions of IAS 32 and 39.