## Notes to the Financial Statements

18. Property, plant and equipment			
Group	Land and buildings £m	Equipment, fixtures and vehicles £m	Total £m
Cost			
At 1 January 2007	99.8	94.6	194.4
Additions	1.1	28.2	29.3
Disposals	(6.3)	(15.1)	(21.4)
At 31 December 2007	94.6	107.7	202.3
Depreciation			
At 1 January 2007	30.1	73.5	103.6
Depreciation charge for the year	1.1	6.6	7.7
Disposals	(3.1)	(12.4)	(15.5)
At 31 December 2007	28.1	67.7	95.8
Net book value			
At 1 January 2007	69.7	21.1	90.8
At 31 December 2007	66.5	40.0	106.5
Group	Land and	Equipment, fixtures and	
	buildings £m	vehicles £m	Total £m
Cost			
At 1 January 2006	103.3	105.5	208.8
Additions	0.2	7.7	7.9
Disposals	(3.7)	(18.6)	(22.3)
At 31 December 2006	99.8	94.6	194.4
Depreciation			
At 1 January 2006	31.2	84.7	115.9
Depreciation charge for the year	1.3	5.7	7.0
Disposals	(2.4)	(16.9)	(19.3)
At 31 December 2006	30.1	73.5	103.6
Net book value			
At 1 January 2006	72.1	20.8	92.9
At 31 December 2006	69.7	21.1	90.8

Sale proceeds from asset disposals were £4.4m (2006: £1.9m) resulting in a loss on sale of £0.2m (2006: £0.2m). In addition, sale proceeds from the sale and leaseback of land and buildings were £10.1m (2006: £6.6m) resulting in a profit of £8.8m (2006: £5.7m) which has been included in the Income Statement in non-operating income.

There are no restrictions on the Group's title to any of its property, plant and equipment, and none of the Group's property, plant and equipment has been pledged as security.

At 31 December 2007       88.0       99.5       187.5         Depreciation       31 January 2007       29.0       67.3       96.3         Depreciation charge for the year       1.0       6.1       7.1         Disposals       (3.0)       (8.7)       (11.7)         At 31 December 2007       27.0       64.7       91.7         Net book value       34.1 January 2007       34.8       95.8         Cost       4.1 January 2006       96.6       92.7       189.3         Additions       0.2       5.7       5.9         Disposals       (3.7)       (15.7)       (19.4)         At 31 December 2006       93.1       82.7       175.8         Depreciation         At 1 January 2006       30.3       77.7       108.0         Depreciation         At 1 January 2006       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3	18. Property, plant and equipment continued			
A1 January 2007       93.1       82.7       175.8         Additions       1.1       25.7       26.8         Disposals       (6.2)       (8.9)       (15.1)         At 31 December 2007       88.0       99.5       187.5         Depreciation         A1 January 2007       29.0       67.3       96.3         Depreciation charge for the year       1.0       6.1       7.1         Disposals       (3.0)       (8.7)       (11.7)         At 31 December 2007       27.0       64.7       91.7         Net book value       4.1       15.4       79.5         At 31 December 2007       61.0       34.8       95.8         Cost         A1 January 2006       96.6       92.7       189.3         Additions       0.2       5.7       5.9         Disposals       93.1       82.7       175.8         Depreciation       93.1       82.7       175.8         Depreciation       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       2.4       (15.6)       (18.0)         At 31 December 2006	Company	buildings	fixtures and vehicles	
Additions       1.1       25.7       26.8         Disposals       (6.2)       (8.9)       (15.1)         At 31 December 2007       88.0       99.5       187.5         Depreciation       41 January 2007       29.0       67.3       96.3         De preciation charge for the year       1.0       6.1       7.1         Disposals       (3.0)       (8.7)       (11.7)         At 31 December 2007       27.0       64.7       91.7         Net book value       41 January 2007       61.0       34.8       95.8         Cost       41 January 2006       61.0       34.8       95.8         Additions       96.6       92.7       189.3         Additions       96.6       92.7       189.3         Additions       96.6       92.7       189.3         Additions       96.6       92.7       189.3         Additions       9.2       5.7       5.9         Disposals       30.7       15.7       109.4         At 3 I December 2006       30.3       7.7       108.0         Depreciation       30.3       7.7       108.0         Depreciation charge for the year       1.1       5.2	Cost			
Disposals       (6.2)       (8.9)       (15.1)         At 31 December 2007       88.0       99.5       187.5         Depreciation         At 1 January 2007       29.0       67.3       96.3         Depreciation charge for the year       1.0       6.1       7.1         Disposals       1.0       6.1       7.1       7.1         At 31 December 2007       27.0       64.7       91.7         Net book value         At 1 January 2007       61.0       34.8       95.8         Cost         At 1 January 2006       96.6       92.7       189.3         Additions       0.2       5.7       5.9         Disposals       (3.7)       (15.7)       (19.4)         At 31 December 2006       93.1       82.7       175.8         Depreciation         At 1 January 2006       30.3       7.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       2.4       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.	At 1 January 2007	93.1	82.7	175.8
At 31 December 2007       88.0       99.5       187.5         Depreciation       35.0       187.5       188.3       187.5       187.	Additions	1.1	25.7	26.8
Depreciation         At 1 January 2007       29.0       67.3       96.3         Depreciation charge for the year       1.0       6.1       7.1         Disposals       (3.0)       (8.7)       (11.7)         At 31 December 2007       27.0       64.7       91.7         Net book value         At 1 January 2007       61.0       34.8       95.8         Cost         At 1 January 2006       96.6       92.7       189.3         Additions       0.2       5.7       5.9         Disposals       (3.7)       (15.7)       (19.4)         At 31 December 2006       93.1       82.7       175.8         Depreciation         At 1 January 2006       30.3       77.7       108.0         Depreciation       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3      <	Disposals	(6.2)	(8.9)	(15.1)
At I January 2007       29.0       67.3       96.3         Depreciation charge for the year       1.0       6.1       7.1         Disposals       (3.0)       (8.7)       (11.7)         At 31 December 2007       27.0       64.7       91.7         Net book value         At 1 January 2007       61.0       34.8       95.8         Cost       5.0       5.0       5.0       5.0       5.0         At 1 January 2006       96.6       92.7       189.3       5.0       <	At 31 December 2007	88.0	99.5	187.5
Depreciation charge for the year       1.0       6.1       7.1         Disposals       (3.0)       (8.7)       (11.7)         At 31 December 2007       27.0       64.7       91.7         Net book value         At 1 January 2007       61.0       34.8       95.8         Cost         At 1 January 2006       96.6       92.7       189.3         Additions       0.2       5.7       5.9         Disposals       (3.7)       (15.7)       (19.4)         At 31 December 2006       93.1       82.7       175.8         Depreciation         At 1 January 2006       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	Depreciation			
Disposals       (3.0)       (8.7)       (11.7)         At 31 December 2007       27.0       64.7       91.7         Net book value       4t 1 January 2007       64.1       15.4       79.5         At 31 December 2007       61.0       34.8       95.8         Cost       2.7       189.3         At 1 January 2006       96.6       92.7       189.3         Additions       0.2       5.7       5.9         Disposals       (3.7)       (15.7)       (19.4)         At 31 December 2006       93.1       82.7       175.8         Depreciation       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	At 1 January 2007	29.0	67.3	96.3
At 31 December 2007       27.0       64.7       91.7         Net book value       34.1       15.4       79.5	Depreciation charge for the year	1.0	6.1	7.1
Net book value         At 1 January 2007       64.1       15.4       79.5         At 31 December 2007       61.0       34.8       95.8         Cost       8.0       96.6       92.7       189.3         Additions       0.2       5.7       5.9         Disposals       (3.7)       (15.7)       (19.4)         At 31 December 2006       93.1       82.7       175.8         Depreciation       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	Disposals	(3.0)	(8.7)	(11.7)
At 1 January 2007       64.1       15.4       79.5         At 31 December 2007       61.0       34.8       95.8         Cost       8.1       96.6       92.7       189.3         At 1 January 2006       96.6       92.7       189.3         Additions       0.2       5.7       5.9         Disposals       (3.7)       (15.7)       (19.4)         At 31 December 2006       93.1       82.7       175.8         Depreciation       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	At 31 December 2007	27.0	64.7	91.7
At 31 December 2007       61.0       34.8       95.8         Cost       At 1 January 2006       96.6       92.7       189.3         Additions       0.2       5.7       5.9         Disposals       (3.7)       (15.7)       (19.4)         At 31 December 2006       93.1       82.7       175.8         Depreciation       At 1 January 2006       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	Net book value			
Cost         At 1 January 2006       96.6       92.7       189.3         Additions       0.2       5.7       5.9         Disposals       (3.7)       (15.7)       (19.4)         At 31 December 2006       93.1       82.7       175.8         Depreciation         At 1 January 2006       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	At 1 January 2007	64.1	15.4	79.5
At 1 January 2006       96.6       92.7       189.3         Additions       0.2       5.7       5.9         Disposals       (3.7)       (15.7)       (19.4)         At 31 December 2006       93.1       82.7       175.8         Depreciation         At 1 January 2006       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	At 31 December 2007	61.0	34.8	95.8
Additions       0.2       5.7       5.9         Disposals       (3.7)       (15.7)       (19.4)         At 31 December 2006       93.1       82.7       175.8         Depreciation         At 1 January 2006       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	Cost			
Disposals       (3.7)       (15.7)       (19.4)         At 31 December 2006       93.1       82.7       175.8         Depreciation         At 1 January 2006       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	At 1 January 2006	96.6	92.7	189.3
At 31 December 2006       93.1       82.7       175.8         Depreciation         At 1 January 2006       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	Additions	0.2	5.7	5.9
Depreciation         At 1 January 2006       30.3       77.7       108.0         Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	Disposals	(3.7)	(15.7)	(19.4)
At 1 January 2006     30.3     77.7     108.0       Depreciation charge for the year     1.1     5.2     6.3       Disposals     (2.4)     (15.6)     (18.0)       At 31 December 2006     29.0     67.3     96.3       Net book value       At 1 January 2006     66.3     15.0     81.3	At 31 December 2006	93.1	82.7	175.8
Depreciation charge for the year       1.1       5.2       6.3         Disposals       (2.4)       (15.6)       (18.0)         At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	Depreciation			
Disposals     (2.4)     (15.6)     (18.0)       At 31 December 2006     29.0     67.3     96.3       Net book value       At 1 January 2006     66.3     15.0     81.3	At 1 January 2006	30.3	77.7	108.0
At 31 December 2006       29.0       67.3       96.3         Net book value         At 1 January 2006       66.3       15.0       81.3	Depreciation charge for the year	1.1	5.2	6.3
Net book value           At 1 January 2006         66.3         15.0         81.3	Disposals	(2.4)	(15.6)	(18.0)
At 1 January 2006 66.3 15.0 81.3	At 31 December 2006	29.0	67.3	96.3
	Net book value			
At 31 December 2006 64.1 15.4 79.5	At 1 January 2006	66.3	15.0	81.3
	At 31 December 2006	64.1	15.4	79.5

Sale proceeds from asset disposals were £2.1m (2006: £0.5m) resulting in a loss on sale of £nil (2006: £nil). In addition, sale proceeds from the sale and leaseback of land and buildings were £10.1m (2006: £6.6m) resulting in a profit of £8.8m (2006: £5.7m) which has been included in the Income Statement in non-operating income.