Consolidated income statement

for the year to 31 March 2007

	Notes	2007 £m	2006 £m
Realised profits over value on the disposal of investments	2	**830**	576
Unrealised profits on the revaluation of investments	3	**323**	245
		1,153	821
Portfolio income			
Dividends		**81**	75
Income from loans and receivables		**158**	133
Fees receivable	4	**14**	24
Gross portfolio return	1	**1,406**	1,053
Fees receivable from external funds		**37**	24
Carried interest			
Carried interest receivable from managed funds	5	**81**	79
Carried interest payable to executives	5	**(142)**	(64)
Operating expenses	6	**(255)**	(211)
Net portfolio return		**1,127**	881
Treasury interest receivable	10	**91**	57
Interest payable	10	**(100)**	(74)
Movement in the fair value of derivatives	11	**(29)**	(78)
Exchange movements		**(31)**	47
Other income	12	**1**	22
Profit before tax		**1,059**	855
Income taxes	13	**(3)**	(3)
Profit after tax and profit for the year		**1,056**	852
Earnings per share			
Basic (pence)	29	**215.5**	152.0
Diluted (pence)	29	**213.2**	151.2*

*As restated (note 29).

Statement of recognised income and expense

for the year to 31 March 2007

	Notes	Group 2007 £m	Group 2006 £m	Company 2007 £m	Company 2006 £m
Profit for the year		**1,056**	852	**1,099**	643
Exchange differences on translation of foreign operations		**5**	(5)	**–**	–
Revaluation of own-use property		**1**	–	**1**	–
Actuarial gains/(losses)	9	**13**	(16)	**–**	–
Total recognised income and expense for the year		**1,075**	831	**1,100**	643
Analysed in reserves as:					
Revenue	27	**134**	117	**88**	87
Capital	27	**936**	719	**1,012**	556
Translation reserve	27	**5**	(5)	**–**	–
		1,075	831	**1,100**	643