3 Other income and expenses

	Year ended 31 March 2009			Year ended 31 March 2008		
	Before exceptional items £m	**Exceptional items £m**	**Total £m**	Before exceptional items £m	Exceptional items £m	Total £m
Profit on disposal of household depots	**4.3**	**–**	**4.3**	6.6	–	6.6
Profit on disposal of closed sites (Note 4)	**–**	**–**	**–**	–	6.7	6.7
	4.3	**–**	**4.3**	6.6	6.7	13.3

The Group continues to rationalise its household operations as a result of the ongoing decline in doorstep volumes. This rationalisation includes the closure of certain depots (the profit on which is shown above), acquisition of small infill dairy businesses and rationalisation of the ongoing household operations. These activities represent a fundamental part of the ongoing ordinary activities of the household operations.

Profit on operations is stated after (charging)/crediting	**Year ended 31 March 2009 £m**	Year ended 31 March 2008 £m
Release of grants	**0.7**	0.8
Depreciation	**(40.0)**	(39.5)
Amortisation of intangibles	**(10.9)**	(9.5)
Operating lease rentals: Minimum lease payments	**(29.2)**	(27.7)
Impairment of investment in joint ventures	**–**	(0.6)
Research and development expenditure	**(1.8)**	(1.7)
Exchange gains	**0.9**	0.6
Cost of inventories recognised as an expense	**(1,269.4)**	(1,196.0)
Including: Write-down of inventories recognised as an expense	**(3.3)**	(0.8)
Reversals of write-downs in inventories	**–**	–

Remuneration paid to auditors		**Year ended 31 March 2009 £000**	Year ended 31 March 2008 £000
Audit of the financial statements*		**0.1**	0.1
Other fees:	local statutory audits for subsidiaries	**0.3**	0.3
	taxation services	**–**	0.1
	corporate finance services	**–**	–
	other services	**0.3**	0.1

* £10,000 (2008: £10,000) of this relates to the Company.

Other services in the year ended 31 March 2009 principally comprised advice in relation to intra-Group financing structures (2008: corporate development advice).

Fees paid to Ernst & Young LLP and its associates for non-audit services to the Company itself are not disclosed in the individual accounts of the Company because Group financial statements are prepared which are required to disclose such fees on a consolidated basis.