

11 Taxation

Tax on the profit for the year comprises current and deferred tax. Tax is recognized in the consolidated income statement except to the extent that it relates to items recognized directly in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the consolidated balance sheet date, and any adjustment to tax payable in respect of previous years.

	Year ended 31 December 2008 \$'000	Year ended 31 December 2007 \$'000
Notes		
Corporation tax		
Charge for the year	13,768	9,721
Adjustments for prior year	430	(1,516)
Tax charge	14,198	8,205
Deferred tax	16 2,499	254
Total	16,697	8,459

	Year ended 31 December 2008 \$'000	Year ended 31 December 2007 \$'000
Reconciliation of tax charge		
Profit before tax	38,733	15,084
Tax calculated at statutory rate	11,620	4,525
Share-based compensation	3,344	1,704
State taxes, net of US federal benefit	2,237	985
Listing fees and related expenses	–	2,318
Tax losses for which no deferred tax asset was recognized	485	612
Interest expense on convertible redeemable preferred shares	–	460
Increase in tax reserves	–	384
Foreign taxes at rates different than statutory rates	(1,282)	(1,277)
Adjustments for prior year	430	(1,516)
Other	(137)	264
Total	16,697	8,459