

Consolidated income statement

Year ended 31 December	Note	2011 £m	2010 £m
Gross premiums earned		25,706	24,568
Outward reinsurance premiums		(429)	(357)
Earned premiums, net of reinsurance	F2	25,277	24,211
Investment return	F2	9,360	21,769
Other income	F2	1,869	1,666
Total revenue, net of reinsurance	F1,F2	36,506	47,646
Benefits and claims		(31,060)	(40,608)
Outward reinsurers' share of benefit and claims	F1	746	335
Movement in unallocated surplus of with-profits funds	H12	1,025	(245)
Benefits and claims and movement in unallocated surplus of with-profits funds, net of reinsurance		(29,289)	(40,518)
Acquisition costs and other expenditure	F3	(5,005)	(4,799)
Finance costs: interest on core structural borrowings of shareholder-financed operations	F4	(286)	(257)
Total charges, net of reinsurance	F1	(34,580)	(45,574)
Profit before tax (<i>being tax attributable to shareholders' and policyholders' returns</i>)*		1,926	2,072
Tax credit (charge) attributable to policyholders' returns	F5	17	(611)
Profit before tax attributable to shareholders	B1	1,943	1,461
Tax charge	F5	(432)	(636)
Less: tax attributable to policyholders' returns		(17)	611
Tax charge attributable to shareholders' returns†	F5	(449)	(25)
Profit for the year		1,494	1,436
Attributable to:			
Equity holders of the Company		1,490	1,431
Non-controlling interests		4	5
Profit for the year		1,494	1,436
Earnings per share (in pence)			
Based on profit attributable to the equity holders of the Company:			
Basic	B2	58.8p	56.7p
Diluted	B2	58.7p	56.6p

* This measure is the formal profit before tax measure under IFRS but it is not the result attributable to shareholders. The 2010 profit before tax is stated after £377 million of pre-tax costs of the terminated AIA transaction. See Note B1.

† The 2010 tax charge attributable to shareholders' return included an exceptional tax credit of £158 million which primarily related to the impact of a settlement agreed with the UK tax authorities.