

Delivering value consistently



This is an extract from the Compass Group PLC Annual Report 2009 and should be read and construed subject to the full terms and caveats to such Report (including the forward looking statement).

Consolidated cash flow statement

for the year ended 30 September 2009

	Notes	2009 £m	2008 £m
Cash flow from operating activities			
Cash generated from operations	28	1,114	915
Interest paid		(111)	(104)
Interest element of finance lease rentals		(3)	(2)
Tax received		22	16
Tax paid		(188)	(165)
Net cash from/(used in) operating activities of continuing operations		834	660
Net cash from/(used in) operating activities of discontinued operations	29	(1)	2
Net cash from/(used in) operating activities		833	662
Cash flow from investing activities			
Purchase of subsidiary companies and investments in associated undertakings ¹	27	(165)	(181)
Proceeds from sale of subsidiary companies and associated undertakings – discontinued activities ¹	6	(34)	(17)
Proceeds from sale of subsidiary companies and associated undertakings – other activities ¹		–	12
Tax on profits from sale of subsidiary companies and associated undertakings		3	45
Purchase of intangible assets and investments		(117)	(73)
Purchase of property, plant and equipment		(166)	(119)
Proceeds from sale of property, plant and equipment / intangibles		24	26
Purchase of other investments		(3)	–
Proceeds from sale of other investments		5	1
Dividends received from associated undertakings		4	5
Interest received		14	25
Net cash from/(used in) investing activities by continuing operations		(435)	(276)
Net cash from/(used in) investing activities by discontinued operations	29	–	–
Net cash from/(used in) investing activities		(435)	(276)
Cash flow from financing activities			
Proceeds from issue of ordinary share capital	25	28	58
Purchase of own shares ²		(12)	(355)
Net increase/(decrease) in borrowings – excluding new leases / repayments	30	(178)	(141)
Repayment of obligations under finance leases	30	(15)	(11)
Equity dividends paid	9,25	(229)	(209)
Dividends paid to minority interests	25	(3)	(4)
Net cash from/(used in) financing activities by continuing operations		(409)	(662)
Net cash from/(used in) financing activities by discontinued operations	29	–	–
Net cash from/(used in) financing activities		(409)	(662)
Cash and cash equivalents			
Net increase/(decrease) in cash and cash equivalents	30	(11)	(276)
Cash and cash equivalents at beginning of the year	30	579	839
Currency translation gains/(losses) on cash and cash equivalents	30	20	16
Cash and cash equivalents at end of the year	30	588	579

1 Net of cash acquired or disposed and payments received or made under warranties and indemnities.

2 Share buy-back and increase/(decrease) in own shares held to satisfy employee share-based payments.

Reconciliation of free cash flow from continuing operations

for the year ended 30 September 2009

	2009 £m	2008 £m
Net cash from operating activities of continuing operations	834	660
Purchase of intangible assets and investments	(117)	(73)
Purchase of property, plant and equipment	(166)	(119)
Proceeds from sale of property, plant and equipment / intangibles	24	26
Purchase of other investments	(3)	–
Proceeds from sale of other investments	5	–
Dividends received from associated undertakings	4	5
Interest received	14	25
Dividends paid to minority interests	(3)	(4)
Other	1	–
Free cash flow from continuing operations	593	520