

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).

Notes to the Parent Company financial statements

for the year ended 30 September 2009

1 Profit and loss account disclosures

The Company profit on ordinary activities after tax was £232 million (2008: £492 million).

The fee for the audit of the Company's annual financial statements was £0.4 million (2008: £0.4 million).

The Company had no direct employees in the course of the year (2008: none).

2 Investments in subsidiary undertakings

Investments in subsidiary undertakings	2009 £m	2008 £m
Cost and net book value		
At 1 October	949	933
Additions	11	10
Share-based payments to employees of subsidiaries	4	14
Recharged to subsidiaries during the year	(3)	(3)
Settlement of share-based payments by subsidiaries	(1)	(5)
At 30 September	960	949

The principal subsidiary undertakings are listed in note 37 to the consolidated financial statements.

3 Debtors

	2009			2008		
	Falling due within 1 year £m	Falling due after more than 1 year £m	Total £m	Falling due within 1 year £m	Falling due after more than 1 year £m	Total £m
Debtors						
Amounts owed by subsidiary undertakings	6,682	–	6,682	5,720	–	5,720
Derivative financial instruments (note 6)	26	60	86	1	19	20
Deferred taxation	–	10	10	–	1	1
Total	6,708	70	6,778	5,721	20	5,741

4 Creditors

	2009			2008		
	Falling due within 1 year £m	Falling due after more than 1 year £m	Total £m	Falling due within 1 year £m	Falling due after more than 1 year £m	Total £m
Creditors						
Bank overdrafts	155	–	155	158	–	158
Bank loans	7	6	13	5	10	15
Bank overdrafts and loans (note 5)	162	6	168	163	10	173
Loan notes	23	588	611	83	356	439
Bonds	204	619	823	237	782	1,019
Loan notes and bonds (note 5)	227	1,207	1,434	320	1,138	1,458
Derivative financial instruments (note 6)	15	3	18	11	6	17
Accruals and deferred income	55	–	55	54	–	54
Amounts owed to subsidiary undertakings	5,172	–	5,172	4,150	–	4,150
Total	5,631	1,216	6,847	4,698	1,154	5,852

4 Creditors continued

The Company has fixed term, fixed interest private placements totalling US\$889 million (£558 million) at interest rates between 5.11% and 7.955%. The carrying value of these loan notes is £576 million. The Company also has a Sterling denominated private placement of £35 million.

Loan notes	Nominal value	Redeemable	Interest
US\$ private placement	\$36m	May 2010	6.53%
US\$ private placement	\$35m	Nov 2010	5.11%
US\$ private placement	\$62m	May 2011	6.67%
US\$ private placement	\$24m	Sep 2011	7.955%
US\$ private placement	\$450m	May 2012	6.81%
US\$ private placement	\$15m	Nov 2013	5.67%
US\$ private placement	\$105m	Oct 2013	6.45%
US\$ private placement	\$162m	Oct 2015	6.72%
Sterling private placement	£35m	Oct 2016	7.55%

The Company also has Sterling denominated Eurobonds totalling £775 million at interest rates of between 6.375% and 7.125%. The carrying value of these bonds is £823 million. The €300 million Eurobond was redeemed in May 2009.

Bonds	Nominal value	Redeemable	Interest
Sterling Eurobond	£200m	Jan 2010	7.125%
Sterling Eurobond	£325m	May 2012	6.375%
Sterling Eurobond	£250m	Dec 2014	7.0%

5 Maturity of financial liabilities, other creditors and derivative financial instruments

The maturity of financial liabilities, other creditors and derivative financial instruments as at 30 September was as follows:

Maturity	2009				2008			
	Bank overdrafts and loans (note 4) £m	Loan notes and bonds (note 4) £m	Other ¹ (note 6) £m	Total £m	Bank overdrafts and loans (note 4) £m	Loan notes and bonds (note 4) £m	Other ¹ (note 6) £m	Total £m
Between 1 and 2 years	6	81	(2)	85	5	219	(10)	214
Between 2 and 5 years	–	728	(42)	686	5	659	–	664
In more than 5 years	–	398	(13)	385	–	260	(3)	257
In more than 1 year	6	1,207	(57)	1,156	10	1,138	(13)	1,135
Within 1 year, or on demand	162	227	(11)	378	163	320	10	493
Total	168	1,434	(68)	1,534	173	1,458	(3)	1,628

¹ Other includes the debtor and creditor amounts associated with derivative financial instruments (note 6).

Bank loans	2009 £m	2008 £m
Amounts repayable by instalments falling due between 1 and 5 years	6	10
Amounts repayable by instalments falling due within 1 year	7	5
Amounts repayable by instalments falling due within 5 years	13	15
Fees and premiums capitalised on issue	–	–
Bank loans	13	15

Notes to the Parent Company financial statements

for the year ended 30 September 2009

6 Derivative financial instruments

	2009		2008	
	Financial assets (note 3) £m	Financial liabilities (note 4) £m	Financial assets (note 3) £m	Financial liabilities (note 4) £m
Derivative financial instruments				
Interest rate swaps				
Fair value hedges	85	–	19	(8)
Not in a hedging relationship	–	(10)	1	(3)
Other				
Forward exchange contracts	1	(8)	–	(6)
Derivative financial instruments	86	(18)	20	(17)

7 Share capital

Details of the share capital, share option schemes and share-based payments of Compass Group PLC are shown in notes 24 and 26 to the consolidated financial statements.

8 Capital and reserves

	Share capital £m	Share premium account £m	Capital redemption reserve £m	Share-based payment reserve £m	Profit and loss reserve £m	Total £m
Capital and reserves						
At 1 October 2007	193	122	33	144	800	1,292
Issue of shares	2	56	–	–	–	58
Repurchase of ordinary share capital	(11)	–	11	–	(348)	(348)
Fair value of share-based payments	–	–	–	14	–	14
Settled in cash or existing shares ¹	–	–	–	(5)	–	(5)
Dividends paid to Compass shareholders	–	–	–	–	(209)	(209)
Profit for the financial year	–	–	–	–	492	492
At 30 September 2008	184	178	44	153	735	1,294
At 1 October 2008	184	178	44	153	735	1,294
Issue of shares	1	27	–	–	–	28
Repurchase of ordinary share capital	–	–	–	–	(13)	(13)
Fair value of share-based payments	–	–	–	4	–	4
Settled in new shares	–	10	–	(10)	–	–
Settled in cash or existing shares ¹	–	–	–	(1)	–	(1)
Dividends paid to Compass shareholders	–	–	–	–	(229)	(229)
Profit for the financial year	–	–	–	–	232	232
At 30 September 2009	185	215	44	146	725	1,315

1 Purchased in the market.

9 Contingent liabilities

	2009 £m	2008 £m
Contingent liabilities		
Guarantees and indemnities (including subsidiary undertakings' overdrafts)	341	304

Details regarding certain contingent liabilities which involve the Company are set out in note 31 to the consolidated financial statements.