

**HARRY RAMSDEN'S (RESTAURANT)
LIMITED**

Report and Financial Statements

30 September 2004

**Deloitte & Touche LLP
Birmingham**



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HARRY RAMSDEN'S (RESTAURANT) LIMITED

REPORT AND FINANCIAL STATEMENTS 2004

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HARRY RAMSDEN'S (RESTAURANT) LIMITED

REPORT AND FINANCIAL STATEMENTS 2004

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

S M A Critoph (resigned 15 April 2004)
C C J Copner (resigned 6 September 2004 and reappointed 26 July 2005)
P Keegans (resigned 30 June 2005)
G A Cross (appointed 6 May 2004)

SECRETARY

T C Mason

REGISTERED OFFICE

Parklands Court
24 Parklands
Birmingham Great Park
Rubery
Birmingham
B45 9PZ

BANKERS

Bank of Scotland
116 Wellington Street
Leeds
LS1 4LT

SOLICITORS

Hamlin's
PO Box 4SQ
Roxburghe House
273-287 Regent House
London
W1A 4SQ

AUDITORS

Deloitte & Touche LLP
Birmingham

HARRY RAMSDEN'S (RESTAURANT) LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 September 2004.

ACTIVITIES

The assets of the business were transferred to Harry Ramsden's PLC on 30 September 2003 and from that date onwards the company acted as an undisclosed agent of Harry Ramsden's PLC.

The company has not traded during the year except as an undisclosed agent for Harry Ramsden's PLC. The situation is expected to continue in the foreseeable future.

DIRECTORS AND THEIR INTERESTS

The Directors who served during the year and subsequently are shown on page 1.

The beneficial interests of the directors are as follows:

	Ordinary shares of 2.5p each Compass Group PLC 30 September 2004 No	Ordinary shares of 2.5p each Compass Group PLC 30 September 2003 No
Ordinary shares		
G A Cross	390	390
P Keegans	2,835	2,835

The following directors held share options under executive, commitment and savings related share option schemes to acquire Ordinary shares in Compass Group PLC of 2.5p each:


	2003 No.	Granted during the year No.	Exercised during the year No.	2004 No.
P Keegans	119,188	28,417	-	147,605
G A Cross	32,474	15,564	-	48,038

The directors had no interest in the shares of the Company or any other group company other than Compass Group PLC.

AUDITORS

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors. An elective resolution has been passed to dispense with the need to re-appoint auditors annually and to hold Annual General Meetings.

Approved by the Board of directors
and signed on behalf of the Board



C C J Copner
Director

HARRY RAMSDEN'S (RESTAURANT) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for the company's system of internal financial controls and for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARRY RAMSDEN'S (RESTAURANT) LIMITED

We have audited the financial statements of Harry Ramsden's (Restaurant) Limited for the year ended 30 September 2004 which comprise the profit and loss account, the balance sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2004 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP

Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
Birmingham

29th July 2005

HARRY RAMSDEN'S (RESTAURANT) LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 30 September 2004

	Note	2004 £	2003 £
TURNOVER	1,2	2,947,081	3,075,785
Cost of sales		-	(1,565,627)
Transfer of beneficial interest to principal		(2,947,081)	-
Gross profit		-	1,510,158
Administrative expenses		-	(836,889)
OPERATING PROFIT	2	-	673,269
Profit on sale of fixed asset		-	381,557
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	1,054,826
Tax on profit on ordinary activities	4	-	(55,000)
PROFIT FOR THE FINANCIAL YEAR	8	-	999,826

The accompanying notes are an integral part of this profit and loss account.

All activities derive from continuing operations.

There are no recognised gains or losses other than the result for the current and prior years. Accordingly, a statement of total recognised gains and losses is not given.

HARRY RAMSDEN'S (RESTAURANT) LIMITED

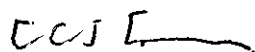
BALANCE SHEET 30 September 2004

	Note	2004 £	2003 £
CURRENT ASSETS			
Debtors	5	<u>2,134,104</u>	<u>2,134,104</u>
CAPITAL AND RESERVES			
Called up share capital	6	5,100	5,100
Share premium account	7	145,000	145,000
Profit and loss account	7	<u>1,984,004</u>	<u>1,984,004</u>
TOTAL SHAREHOLDERS' FUNDS	8	<u>2,134,104</u>	<u>2,134,104</u>
ANALYSED AS:			
Equity shareholders' funds		2,129,104	2,129,104
Non-equity shareholders' funds		<u>5,000</u>	<u>5,000</u>
		<u>2,134,104</u>	<u>2,134,104</u>

The accompanying notes are an integral part of this balance sheet.

These financial statements were approved by the Board of Directors on 26th July 2005

Signed on behalf of the Board of Directors



C C J Copner

Director

HARRY RAMSDEN'S (RESTAURANT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2004

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below. These policies have all been applied consistently throughout the current and preceding year.

Harry Ramsden's (Restaurant) Limited is an agency company and as such does not bear the risks and rewards of its trade. These are borne by the principal company, Harry Ramsden's PLC.

Turnover

Turnover represents sales by the company to customers within the United Kingdom, excluding value added tax.

Taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law.

Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Pensions

The company participated in defined benefit schemes operated by Compass Group PLC. The expected cost of pensions in respect of the company's participation in the schemes is charged to the profit and loss account so as to spread the cost of pensions over the service lives of employees based on pension costs across Compass Group as a whole. Variations from regular costs are spread over the remaining service lives of current employees in the scheme across the Compass Group. The pension cost is assessed in accordance with the Statement of Standard Accounting Practice No. 24.

2. TURNOVER AND OPERATING PROFIT

The turnover and operating profit are attributable to the establishment and running of fish and chip restaurants and takeaway outlets within the United Kingdom.

	2004	2003
	£	£
The operating profit is stated after charging:		
Depreciation:		
Tangible owned fixed assets	-	51,081
Hire of plant and machinery	-	4,563
Other operating leases including rents of land and buildings	-	156,416
	<hr/>	<hr/>

Auditors' remuneration is borne by Compass Contract Services (UK) Limited.

HARRY RAMSDEN'S (RESTAURANT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2004

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2004 No	2003 No
Average number of persons employed		
Management and administration	-	10
Direct operating activities	-	116
	-	126
	No	No
Number of directors who are member of a defined benefit pension scheme	2	3
	£	£
Staff costs during the year		
Wages and salaries	-	862,767
Social security costs	-	44,542
Other pension costs	-	2,546
	-	909,855

Directors' remuneration is met by other group companies.

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2004 £	2003 £
Current tax		
UK corporation tax at 30% (2003: 30%) based on the result for the year	-	182,000
Adjustments in respect of prior years:		
UK Corporation tax	-	(159,000)
Total current tax	-	23,000
Deferred tax		
Deferred tax charge	-	34,000
Adjustments in respect of prior years:		
Deferred tax	-	(2,000)
Total deferred tax	-	32,000
Total tax charge on profit on ordinary activities	-	55,000

HARRY RAMSDEN'S (RESTAURANT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2004

4. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

Reconciliation of the UK statutory tax rate to the effective current tax rate

The standard rate of current tax for the year, based on the UK standard rate of corporation tax is 30%. The current year tax charge for the year is below 30% for the reasons set out in the following reconciliation.

	2004	2003
Tax charge on profit on ordinary activities at the UK statutory rate 30%	-	30%
Increase/(decrease) arising from:		
Permanent differences	-	1%
Capital allowances for the year in (excess)/deficit of depreciation charged	-	(3)%
Utilisation of brought forward capital losses	-	(10)%
Adjustment in respect of prior years	-	(16)%
Current tax charge for year	<u>-</u>	<u>2%</u>

5. DEBTORS

	2004 £	2003 £
Amounts due from group undertakings	<u>2,134,104</u>	<u>2,134,104</u>

All amounts are due within one year.

6. CALLED UP SHARE CAPITAL

	2004 £	2003 £
Authorised, called-up, allotted and fully-paid		
100 ordinary shares of £1 each	100	100
5,000 0.7% non-cumulative preference shares of £1 each	<u>5,000</u>	<u>5,000</u>
	<u>5,100</u>	<u>5,100</u>

The 0.7% non-cumulative preference shares are non-equity shares which carry an entitlement to a dividend at the rate of 0.7% per share per annum. Holders of preference shares have one vote for every share held but only on a resolution affecting the rights attached to the shares. Preference shareholders have the right on a winding-up to receive, in priority to any other class of shares, the sum of £1 per share.

The non-cumulative preference shareholders formally waived their right to receive such a dividend for the years ended 30 September 2003 and 30 September 2004.

HARRY RAMSDEN'S (RESTAURANT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2004

7. MOVEMENT ON RESERVES

	Share premium account £	Profit and loss account £	Total £
Balance at 30 September 2003 and 30 September 2004	145,000	1,984,004	2,129,004

8. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
Opening shareholders' funds	2,134,104	1,134,278
Profit for the financial year	-	999,826
Closing shareholders' funds	2,134,104	2,134,104

9. PENSIONS

The company participated in the defined benefit and money purchase schemes operated by Compass Group PLC. The assets of the schemes are held in separate trustee administered funds.

Within the UK there are two main arrangements:

- (i) Compass Group Final Salary Pension Plan
- (ii) Compass Pension Scheme

A third arrangement, Compass Retirement Income Savings Plan (CRISP) was launched on 1 February 2003. This is the main vehicle for pension provision for new joiners in the UK but existing members of the two plans mentioned above will continue to accrue benefits under those arrangements. CRISP is a contracted-in money purchase arrangement whereby the Group will match employee contributions up to 6% of pay (minimum 3%).

The Compass Group Final Salary Pension Plan and the Compass Pension Scheme are defined benefit arrangements operated on a prefunded basis. The funding policy is to contribute such variable amounts, on the advice of the Actuary, as achieves a 100% funding level on a projected salary basis. The actuarial assessments covering expense and contributions are carried out by independent qualified actuaries.

Particulars of the actuarial valuation of the schemes may be found in the Compass Group PLC financial statements.

On 30 November 2000, the Accounting Standards Board introduced a new standard, FRS 17 "Retirement Benefits", that will replace SSAP 24 "Accounting for Pension Costs". Additional disclosures in respect of the Group's defined benefit pension schemes are required under the transitional provisions of FRS 17.

HARRY RAMSDEN'S (RESTAURANT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2004

9. PENSIONS (continued)

The defined benefit schemes are closed to new entrants. For these schemes the current service cost will increase under the projected unit credit method as the members of the scheme approach retirement.

The assets and liabilities of the UK plans operated by Compass Group PLC at 30 September 2004, excluding any transfers from Granada Group PLC Pension Scheme, show a net pension liability of £196M (2003 - £155M). As the pension scheme has members that are employed by more than one legal entity the directors do not consider that it is practical to provide the information on an individual company basis. As the assets and liabilities are not separately identifiable, the pension scheme is accounted for as a defined contribution scheme.

The pension charge for the year was £Nil (2003 - £2,546).

10. CONTINGENT LIABILITIES AND GUARANTEES

Under a group registration the company is jointly and severally liable for VAT due by the other companies within the group registration. At 30 September 2004 this contingent liability amounted to £37,379,000 (2003 - £31,199,000).

11. ULTIMATE AND IMMEDIATE PARENT UNDERTAKING

The company's immediate parent company is Harry Ramsden's PLC.

The ultimate parent company and controlling party is Compass Group PLC. This is the largest and smallest group into which the company is consolidated.

The only group of undertakings for which group accounts are drawn up and of which the company is a member is Compass Group PLC. Copies of the group accounts referred to above can be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The company has taken advantage of the exemption contained in FRS 8 ("Related Party Transactions") which allows it not to disclose transactions with group entities or investees of the group qualifying as related parties. There were no other transactions which would be required to be disclosed under FRS 8.

As the company is a wholly owned subsidiary and the ultimate parent company prepares a group cash flow statement, the company is exempt from the requirement to publish a cash flow statement.

All the above-named companies are incorporated in Great Britain and registered in England and Wales.