

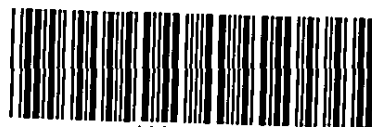
Company Registration Number 02108452

CATERING PARTNERSHIP LIMITED

Report and Financial Statements

31 March 2010

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CATERING PARTNERSHIP LIMITED

REPORT AND FINANCIAL STATEMENTS 2010

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CATERING PARTNERSHIP LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

S C Baxter
N R Goodman
J R C Hay
R McGregor-Smith

SECRETARY

MITIE Company Secretarial Services Limited

REGISTERED OFFICE

8 Monarch Court
The Brooms
Emersons Green
Bristol
BS16 7FH

BANKERS

HSBC Bank plc
62 George White Street
Cabot Circus
Bristol
BS1 3BA

AUDITORS

Deloitte LLP
Bristol

CATERING PARTNERSHIP LIMITED

DIRECTORS' REPORT

The directors present their annual report and audited financial statements for the year ended 31 March 2010

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company was acquired by MITIE Group PLC ("the Group") on 6 March 2008 and is a 100% owned subsidiary of MITIE Group PLC. On 1 October 2008 the company transferred its trade and assets to MITIE Catering Services Limited for a consideration of £7,355,000. Up to this date, the company provided catering services to industrial and commercial clients.

The balance sheet on page 7 of the financial statements shows that the company's financial position at the year end has, in net asset terms, remained static since the prior year.

The Group manages its operations on a divisional basis. For this reason, the company's directors do not believe further key performance indicators are necessary for an appropriate understanding of the performance and position of the business. The performance of the Group's divisions is discussed in the Group's annual report which does not form part of this report.

CATERING PARTNERSHIP LIMITED

DIRECTORS' REPORT (continued)

DIVIDENDS

There were no dividends approved or paid during the year (2009 £9,731)

PRINCIPAL RISKS AND UNCERTAINTIES

Prior to the transfer of trade, the loss of key customers was a key risk to the business. The company managed this risk by developing and maintaining strong relationships with these customers.

Group risks are discussed in the Group's annual report which does not form part of this report.

FINANCIAL RISK MANAGEMENT

The directors have reviewed the financial risk management objectives and policies of the company. The directors do not believe there to be significant risks in this area. The company does not enter into any hedging instruments, as there are not believed to be any material exposures. It does not enter into any financial instruments for speculative purposes.

Prior to the transfer of trade, appropriate trade terms were negotiated with suppliers and customers. Management reviewed these terms and the relationships with suppliers and customers and managed any exposure on normal trade terms. The company prepared regular forecasts of cash flow and liquidity and any requirement for additional funding was managed as part of the overall MITIE Group PLC financing arrangements.

PAYMENT POLICY

The company's policy is to comply with the terms of payment agreed with a supplier. Where terms are not negotiated, the company endeavours to adhere to the supplier's standard terms. As at 1 October 2008 trade creditors were transferred to MITIE Catering Services Limited and therefore, within this company, as a proportion of amounts invoiced from suppliers for the financial year, represented nil days (2009 nil days).

ENVIRONMENT

MITIE Group PLC and its subsidiaries endeavour to identify, monitor and manage the impact of their activities on the environment and are fully committed to environmental accountability and protection. The company operates in accordance with Group policies, which are described in the Group's annual report which does not form part of this report.

EMPLOYEES

The company offers equal opportunities to all applicants for employment whatever their sex, race or religion. Disabled persons are considered for employment, training, career development and promotion on the basis of their aptitudes and abilities in common with all employees, providing the disability does not make the particular employment impractical or the employee unable to conform to the stringent regulations which apply to the operations of the company.

The company recognises the importance of good communications and employee relationships. In each company there is a relationship between the Chief Executive of MITIE Group PLC and individual employees in the company. In these conditions, complex consultative procedures are seldom required to ensure that there is an understanding of the purpose of the business and the commercial realities of success. Employees are encouraged to become shareholders through the Savings Related Share Option Scheme.

CATERING PARTNERSHIP LIMITED

DIRECTORS' REPORT (continued)

GOING CONCERN

As discussed in the principal activity and review of the business section of the directors' report, on 1 October 2008, the company transferred its trade and assets to MITIE Catering Services Limited for a consideration of £7,355 000

The company has therefore ceased trading and as a result, its financial statements have been prepared on a basis other than that of a going concern (note 1)

DIRECTORS

The directors during the year and subsequently were as follows

S C Baxter
N R Goodman
J R C Hay
R McGregor-Smith

AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting

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



S C Baxter
Director

1 September 2010 .

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

CATERING PARTNERSHIP LIMITED

We have audited the financial statements of Catering Partnership Limited for the year ended 31 March 2010 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes 1 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its result for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Nigel Thomas.

Nigel Thomas (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Bristol, United Kingdom

1 September 2010.

CATERING PARTNERSHIP LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 March 2010

	Note	2010 £	2009 £
TURNOVER	1	-	5,637,476
Cost of sales		-	(4,813,451)
GROSS PROFIT		-	824,025
Administrative expenses		-	(765,099)
Other operating income	2	-	37,336
OPERATING PROFIT	2	-	96,262
Profit arising on the transfer of trade and assets	3	-	7,107,310
Interest receivable and similar income	4	-	15,643
Interest payable and similar charges	4	-	(4,293)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	7,214,922
Tax charge on profit on ordinary activities	5	-	(88,558)
PROFIT FOR THE FINANCIAL YEAR	9	-	7,126,364

The results for the period are wholly attributable to the discontinued operations of the company

There are no recognised gains and losses for the current and preceding financial year other than as stated in the profit and loss account. Accordingly, no separate statement of total recognised gains and losses is presented.

CATERING PARTNERSHIP LIMITED

BALANCE SHEET At 31 March 2010

	Note	2010 £	2009 £
CURRENT ASSETS			
Debtors	7	7,355,000	7,355,000
NET CURRENT ASSETS AND NET ASSETS		<u>7,355,000</u>	<u>7,355,000</u>
SHARE CAPITAL AND RESERVES			
Called up share capital	8	8,000	8,000
Profit and loss account	9	7,347,000	7,347,000
SHAREHOLDERS' FUNDS	9	<u>7,355,000</u>	<u>7,355,000</u>

The financial statements of MITIE Catering Partnership Limited, company registration number 02108452, were approved by the board on



S C Baxter
Director

1 September 2010.

CATERING PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2010

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the current and the prior financial periods are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

As explained in the directors' report, the company transferred its trade, assets and liabilities to MITIE Catering Services Limited on 1 October 2008 and has ceased trading. As required by FRS 18 Accounting Policies the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

Turnover

Turnover represents the total, excluding sales taxes, receivable in respect of goods and services supplied. All turnover arises within the United Kingdom, from the company's principal activity.

Turnover from bundled contracts consists of various components which operate independently of each other and for which reliable fair values can be established. Accordingly, each component is accounted for separately as if it were an individual contractual arrangement based upon the point at which the individual services are provided.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected life, as follows:

Plant and equipment	3 to 5 years
Office equipment	3 to 5 years
Motor vehicles	3 to 5 years

Stocks

Stocks are stated at the lower of cost and net realisable value.

Leases

Rentals paid under operating leases are charged against income on a straight-line basis over the lease term.

Assets held under hire purchase arrangements, which confer rights and obligations similar to those attached to current assets are capitalised as tangible fixed assets and depreciated over the shorter of the lease terms and useful lives. The capital elements of future hire purchase obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the lease to provide a constant rate of charge on the balance of capital repayments outstanding.

CATERING PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2010

1. ACCOUNTING POLICIES (continued)

Tax

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date

Deferred tax is provided in full on timing differences that 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.

Pension costs

The company operated a defined contribution pension scheme for employees. The assets of the scheme were held separately from those of the company.

Cash flow statement

The company has taken the exemption from the requirement to prepare a cash flow statement, as it is included within the consolidated financial statements of MITIE Group PLC and greater than 90% of the voting rights of the company are held by MITIE Group PLC.

Related party transactions

As a wholly owned subsidiary of MITIE Group PLC, Catering Partnership Limited has taken advantage of the exemption from the requirement to disclose related party transactions with MITIE Group PLC and companies within the group.

2	OPERATING PROFIT	2010 £	2009 £
	Operating profit is stated after charging/(crediting)		
	Depreciation on tangible fixed assets		
	- owned	-	31,098
	- leased	-	25,000
	Operating leases		
	- plant and machinery	-	21,130
	- other	-	50,000
	Goodwill amortisation	-	-
	Auditors' remuneration - audit services	-	1,150
	Loss on disposal of tangible fixed assets	-	2,806
	Other operating income	-	(37,336)

Audit fees for the year ended 31 March 2010 of £1,500 were borne by MITIE Group PLC and not recharged.

CATERING PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2010

3	PROFIT ON THE TRANSFER OF TRADE AND ASSETS	2010	2009
		£	£
	Profit on the disposal of trade and assets	-	7,107,310
	The profit on disposal arose on the sale of the company's operations to MITIE Catering Services Limited		
4.	INTEREST	2010	2009
		£	£
	Interest receivable and similar income		
	Bank interest receivable	-	15,643
	Interest payable and similar charges	£	£
	Finance lease interest	-	4,293
		-	4,293
5.	TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES	2010	2009
		£	£
	(a) Analysis of credit in the year		
	United Kingdom corporation tax at 28% (2009 28%)	-	38,467
	Adjustment in respect of prior years	-	(251,987)
	Total current tax (note 5(b))	-	(213,520)
	Deferred taxation:		
	Timing differences - origination and reversal	-	(8,263)
	Adjustment in respect of prior years	-	310,341
	Tax charge on profit on ordinary activities	-	88,558

CATERING PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2010

5 TAX CHARGE ON PROFIT ON ORDINARY ACTIVITIES (continued)

(b) Factors affecting tax charge in the period

The tax assessed for the period differs from that resulting from applying the standard rate of corporation tax in the UK of 28% (2009 30%) The differences are as follows

	2010 £	2009 £
Profit on ordinary activities before tax	-	7,214,922
	£	£
Tax at 28% (2009 28%) thereon	-	2,020,178
Expenses not deductible for tax purposes	-	72
Income not taxable	-	(1,990,046)
Capital allowances less than depreciation	-	8,263
Adjustment in respect of prior years	-	(251,987)
Current tax credit for the period (note 5(a))	-	(213,520)

6 DIVIDENDS

2010
£

2009
£

The dividends approved and paid in the year are as follows

£nil (2009 £7.44) per share on ordinary shares	-	9,731
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7. DEBTORS

2010
£

2009
£

Amounts owed by group undertakings	7,355,000	7,355,000
	7,355,000	7,355,000

A deferred tax asset of £nil has been recognised at 31 March 2010 (2009 £nil) The amount charged to the profit and loss account in the period was £nil (2009 charge of £302,078)

8. CALLED UP SHARE CAPITAL

2010
£

2009
£

Allotted, called up and fully paid 8,000 £1 Ordinary shares	8,000	8,000
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CATERING PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2010

9 COMBINED STATEMENT OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES

	Share capital £	Profit and loss account £	2010 Total £	2009 Total £
Opening shareholders' funds	8,000	7,347,000	7,355,000	238,367
Profit for the financial year	-	-	-	7,126,364
Dividends	-	-	-	(9,731)
Closing shareholders' funds	8,000	7,347,000	7,355,000	7,355,000

10. DIRECTORS

The accrued pension of the highest paid director at 31 March 2010 was £nil (2009 nil)

S C Baxter, N R Goodman and R McGregor-Smith are directors of MITIE Group PLC. All disclosures relating to their emoluments, pension details and share options are disclosed in the group accounts. It is not practicable to allocate their remuneration between their services as directors of Catering Partnership Limited and their services as directors of other group companies.

J R C Hay is paid for his services by MITIE Catering Services Limited.

11. EMPLOYEES

Number of employees

The average number of persons (including directors) employed by the company during the year was

	2010 No.	2009 No.
Operatives	-	356
Administration and management	-	20
	-	376
Employment costs	£	£
Wages and salaries	-	2,844,173
Social security costs	-	152,894
Pension costs	-	7,743
	-	3,004,810

CATERING PARTNERSHIP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2010

12. DIRECTORS

The accrued pension of the highest paid director at 31 March 2010 was £nil (2009 nil)

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	2010 No.	2009 No.
Operatives	-	356
Administration and management	-	20
	-	376
Employment costs	£	£
Wages and salaries	-	2,844,173
Social security costs	-	152,894
Pension costs	-	7,743
	-	3,004,810

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The directors regard MITIE Group PLC, a company registered in Scotland, as the company's ultimate parent undertaking and controlling party. The immediate controlling party is MITIE Facilities Services Limited. MITIE Facilities Services Limited is the smallest group and MITIE Group PLC the largest group for which group accounts are prepared. Copies of these financial statements can be obtained from the company secretary at the registered office.