

Company Number : 2713373

**COMPASS OVERSEAS HOLDINGS LIMITED**

**REPORT AND FINANCIAL STATEMENTS**

**30 SEPTEMBER 2001**



# **COMPASS OVERSEAS HOLDINGS LIMITED**

## **Report and Financial Statements 2001**

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### Directors

M J Bailey  
A P Lynch  
F H Mackay  
R M Morley

### Secretary and Registered Office

A Derham, Cowley House, Guildford Street, Chertsey, Surrey, KT16 9BA

### Auditors

Deloitte & Touche  
Chartered Accountants and  
Register Auditors  
Hill House  
1 Little New Street  
London EC4A 3TR

## COMPASS OVERSEAS HOLDINGS LIMITED

### Directors' Report

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The directors have pleasure in presenting their report and the audited financial statements of the company for the year ended 30 September 2001.

1. Activities and future prospects:

The company acts as a holding company principally for subsidiaries resident outside the United Kingdom. As part of this function Compass Overseas Holdings Limited undertakes the evaluation and appraisal of potential overseas investments.

It is the intention of the directors that the company will continue to act as a holding company for overseas subsidiaries and that it will maintain its role in the evaluation and appraisal of potential acquisitions overseas.

2. Dividends and transfers to reserves:

The directors do not propose the payment of a dividend (2000 - £nil). The loss for the year of £18,212,000 (2000 - loss of £10,210,000) has been transferred from reserves.

3. Directors:

The following served as directors throughout the year.

M J Bailey

A P Lynch

F H Mackay

R M Morley

4. Directors' interests:

Mr F H Mackay holds jointly with Compass Group Holdings PLC one ordinary share of £1 of the company. The other directors have no interests in the company.

During the year, Mr F H Mackay, Mr M J Bailey and Mr A P Lynch have also been directors of the company's parent undertaking shown in note 16 to the financial statements. Their interests in Compass Group PLC and Granada Compass plc are shown in the financial statements of Compass Group PLC.

## COMPASS OVERSEAS HOLDINGS LIMITED

### Directors' Report (continued)

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4. Directors' interests (continued):

Mr R M Morley had the following interests in the shares of Compass Group Holdings PLC (formerly Compass Group PLC) and Granada Compass plc:-

	R M Morley
Under option at 1 October 2000 (Ordinary shares in Granada Compass plc)	279,207
Granted in the year	1,004,573
Exercised	-
Lapsed	-
Under option at 30 September 2001 (Ordinary shares in Compass Group PLC)	<u>1,283,780</u>
Owned at 1 October 2000	24,438
Owned at 30 September 2001	38,038

No other director had any interest in other group companies.

5. Auditors:

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

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



R M Morley

Director

30 July 2002

## COMPASS OVERSEAS HOLDINGS LIMITED

### Statement of Directors' Responsibilities

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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 the 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; 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 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 system of internal control, 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 COMPASS OVERSEAS HOLDINGS LIMITED**

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We have audited the financial statements of Compass Healthcare Group Limited for the year ended 30 September 2001 which comprise the profit and loss account, the balance sheet and the related notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

### **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 with due regard to 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 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 circumstances of the Company, 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 affairs of the company as at 30 September 2001 and of the loss of the company for the year then ended and have been properly prepared in accordance with the companies Act 1985.

*Deloitte & Touche*  
**Deloitte & Touche**

Chartered Accountants and Registered Auditors  
Hill House  
1 Little New Street  
London EC4A 3TR

30 July 2002

**COMPASS OVERSEAS HOLDINGS LIMITED****Profit and Loss Account for the year ended 30 September 2001**

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	Notes	2001 £ 000	2000 £ 000
Foreign exchange loss	4	(14)	(10,569)
Operating loss		(14)	(10,569)
Investment income		-	108
Interest receivable	5	11,044	10,825
Interest payable	5	(37,047)	(14,933)
Loss on ordinary activities before taxation		(26,017)	(14,569)
Tax credit on loss on ordinary activities	6	7,805	4,359
Loss for the year transferred from reserves	12	(18,212)	(10,210)

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There are no recognised gains or losses for the current and prior year other than those dealt with in the profit and loss account. All activities relate to continuing operations.

# COMPASS OVERSEAS HOLDINGS LIMITED

## Balance Sheet as at 30 September 2001

	Notes	2001 £ 000	2000 £ 000
<b>Fixed assets</b>			
Investments	7	3,750	3,750
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	772,923	731,127
Cash at bank		1	2
		772,924	731,129
Creditors: amounts falling due within one year	9	(480,013)	(420,006)
<b>Net current assets</b>		292,911	311,123
<b>Total assets less current liabilities</b>		296,661	314,873
<b>Capital and reserves</b>			
Called up share capital	10	61,242	61,242
Share premium	11	55,812	55,812
Profit and loss account	11	179,607	197,819
<b>Equity shareholders' funds</b>	12	296,661	314,873

Approved by the Board of Directors  
and signed on their behalf

  
.....  
R M Morley  
Director  
30 July 2002



## COMPASS OVERSEAS HOLDINGS LIMITED

### Notes to the financial statements for the year ended 30 September 2001

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1. Accounting policies

(a) Accounting convention

The financial statements are prepared in accordance with applicable accounting standards and under the historical cost convention. The bases used are consistent with those used in the previous period.

(b) Investments

Investments are stated at cost, less any provision for impairment in value.

2. Auditors' remuneration

Audit fees for the year and preceding year were paid by another group company.

3. Directors and employees

The directors received no emoluments in respect of services to the company during the year (2000 - £nil).

There were no employees during the year (2000 - none).

4. Foreign exchange loss

The foreign exchange loss arose on the revaluation of intra-group balances held in foreign currencies to exchange rates ruling at the year end.

# COMPASS OVERSEAS HOLDINGS LIMITED

## Notes to the financial statements for the year ended 30 September 2001

### 5. Interest receivable and interest payable

All interest arises on intra-group loans.

6.	Tax charge/(credit) on loss on ordinary activities	<b>2001</b>	<b>2000</b>
		<b>£ 000</b>	<b>£ 000</b>
	Corporation tax at 30% (2000: 30%)	7,805	4,367
	Prior year - group relief	-	(8)
		<u>7,805</u>	<u>4,359</u>

7.	Investments	<b>2001</b>	<b>2000</b>
	<u>Cost</u>	<b>£ 000</b>	<b>£ 000</b>
	Shares in group undertakings	<u>3,750</u>	<u>3,750</u>

Group accounts are not prepared as the company is a wholly owned subsidiary of Compass Group Holdings PLC, which is incorporated in Great Britain and registered in England and Wales. These financial statements therefore present information about the company as an individual undertaking only.

Investments	Country of registration or incorporation	Principal activity	Class & percentage of shares held
Contract Catering Services (Cyprus) Ltd.	Cyprus	Provision of food services to commerce and industry	100% ordinary
Compass Holdings, Inc	USA	Holding company	1% ordinary

# COMPASS OVERSEAS HOLDINGS LIMITED

## Notes to the financial statements for the year ended 30 September 2001

8.	Debtors	2001		2000	
		£ 000		£ 000	
	Amounts owed by group undertakings	<u>772,923</u>		<u>731,127</u>	
9.	Creditors: amounts falling due within one year	2001		2000	
		£ 000		£ 000	
	Amounts owed to group undertakings	<u>480,013</u>		<u>420,006</u>	
10.	Called up share capital	2001		2000	
		No.	£'000	No.	£'000
	<u>Authorised</u>				
	Ordinary shares of £1 each	<u>100,000,000</u>	<u>100,000</u>	<u>100,000,000</u>	<u>100,000</u>
	<u>Allotted and called up</u>				
	Ordinary shares of £1 each	<u>61,241,577</u>	<u>61,242</u>	<u>61,241,577</u>	<u>61,242</u>
	Fully paid	<u>61,241,577</u>	<u>61,242</u>	<u>61,241,577</u>	<u>61,242</u>
11.	Reserves	Share premium		Profit and loss	
		£ 000		£ 000	
	At 1 October 2000	55,812		197,819	
	Loss for the year	<u>-</u>		<u>(18,212)</u>	
	At 30 September 2001	<u>55,812</u>		<u>179,607</u>	
12.	Reconciliation of movement in equity shareholders' funds	2001		2000	
		£ 000		£ 000	
	Loss for the year	(18,212)		(10,210)	
	Opening shareholders' funds	<u>314,873</u>		<u>325,083</u>	
	Closing shareholders' funds	<u>296,661</u>		<u>314,873</u>	

## COMPASS OVERSEAS HOLDINGS LIMITED

### Notes to the financial statements for the year ended 30 September 2001

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#### 13. Contingent liabilities

The company has entered into cross guarantees in respect of:

- i) US\$420 million borrowed under fixed term, fixed interest private placement by the parent company Compass Group Holdings PLC. As of 30 September 2001 the amount was reduced to US\$324.0 million (2000: US\$337.9 million).
- ii) The group overdraft facility with National Westminster Bank PLC. The amount drawn down at 30 September 2001 was nil (2000: £1.6 million).

#### 14. Ultimate parent company and controlling party

At the start of the financial year, the ultimate parent company and controlling party was Granada Compass plc.

On 1 February 2001, Compass Group PLC (formerly Compass Demerger Limited) demerged from Granada Compass plc and from that date the directors consider Compass Group PLC to be the ultimate parent company.

The ultimate parent company is the parent undertaking of the largest and smallest group of undertakings for which group accounts are drawn up. The immediate parent company is Compass Group Holdings PLC.

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

Copies of the Compass Group PLC financial statements are available from Cowley House, Guildford Street, Chertsey, Surrey KT16 9BA

## **COMPASS OVERSEAS HOLDINGS LIMITED**

### **Notes to the financial statements for the year ended 30 September 2001**

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15. Transactions with related parties

In accordance with the exemption extended in FRS8 "Related Party Disclosures", the company has not disclosed transactions or balances between itself and the group on the basis that 90 per cent or more of the voting rights of these companies are controlled within the group.