

COMPASS HOSPITALITY DEMERGER LIMITED
(Registered Number 4084587)

REPORT AND ACCOUNTS

30 SEPTEMBER 2005



COMPASS HOSPITALITY DEMERGER LIMITED

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 30 September 2005.

PRINCIPAL ACTIVITIES AND RESULTS

The Company is dormant. It did not trade or incur any liability throughout the period and so made neither a profit nor a loss.

DIVIDEND

The directors do not recommend the payment of a dividend for the period.

DIRECTORS

The directors of the Company during the period and subsequently were as follows:

D M Gratton resigned 1st June 2005

R M Morley resigned 30th September 2005

T Mason appointed 19th September 2005

N Palmer appointed 19th September 2005

DIRECTORS' INTERESTS

None of the directors had any interest in the issued share capital of the Company in the period.

The directors had the following interest in the shares of Compass Group PLC :

	At 30 September 2005	At 19 September 2005
	No. of shares	No. of shares
T Mason	26,077	26,077
N Palmer	6,382	6,382

The following directors held share options under the Compass Group PLC Executive Share Option schemes:

	At 19 September 2005	Granted during the period	Exercised during the period	At 30 September 2005
	No. of shares	No. of shares	No. of shares	No. of shares
T Mason	188,100	-	-	188,100
N Palmer	61,200	-	-	61,200

COMPASS HOSPITALITY DEMERGER LIMITED

DIRECTORS' REPORT

DIRECTORS' INTERESTS (continued)

The following directors held share options under the Compass Group PLC Savings-Related Option schemes:


	At 19 September 2005 No. of shares	Lapsed during the period No. of shares	Granted during the period No. of shares	At 30 September 2005 No. of shares
T Mason	4,925	-	-	4,925
N Palmer	9,221	-	-	9,221

The following director held conditional awards under the terms of the Compass Group PLC Long Term Incentive Plan:

	At 19 September 2005 No. of shares	Awarded during the period No. of shares	Released during the period No. of shares	At 30 September 2005 No. of shares
T Mason	42,274	-	-	42,274

The directors do not hold interests in any other of the group companies.

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



Director, **N PALMER**
26 April 2006

Registered office:

Compass House
Guildford Street
Chertsey, Surrey
KT16 9BQ

BALANCE SHEET - 30 SEPTEMBER 2005

	30 September 2005 £	30 September 2004 £
Note		
CURRENT ASSETS		
Amount due from immediate parent undertaking	<u>1</u>	<u>1</u>
CAPITAL AND RESERVES		
Called up share capital	4 <u>1</u>	<u>1</u>

The accounts for the year ended 30 September 2005 have not been audited because the Company is entitled to the exemption provided by section 249AA(1) of the Companies Act 1985 relating to dormant companies and its members have not required the company to obtain an audit of these accounts in accordance with section 249B(2).

The directors acknowledge their responsibilities for ensuring that the Company keeps accounting records that comply with section 221 of the Companies Act 1985. The directors also acknowledge their responsibilities for preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial period in accordance with section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the Company.

The Company was dormant throughout the year ended 30 September 2005.

Approved by the Board on 26 April 2006 and signed on their behalf by



Director, N PALMER

COMPASS HOSPITALITY DEMERGER LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2005

1. Accounting policies

The financial statements of the Company are prepared in accordance with applicable accounting standards and under the historical cost convention.

2. The Company has not traded in the period and has made neither a profit nor a loss. Consequently no profit and loss account has been produced. Also there have been no recognised gains or losses nor movements in shareholder's funds other than the issue of one share.

3. Information regarding directors and employees

There were no employees during the period. The directors received no emoluments during the period.

4. Share capital

	30 September 2005	30 September 2004
	£	£
Authorised - 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Issued, allotted and fully paid	<u>1</u>	<u>1</u>

5. Ultimate parent company and controlling party

The directors consider Compass Group PLC, which is incorporated in Great Britain and registered in England and Wales, to be the ultimate parent company and controlling party. Copies of the Compass Group PLC financial statements are available from Compass House, Guildford Street, Chertsey, Surrey KT16 9BQ.