

Registration number 0983951

ARAMARK Limited

Directors' Report and Financial Statements

for the Period from 3 October 2009 to 1 October 2010

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ARAMARK Limited
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ARAMARK Limited
Company Information

Directors	A W Main R Wheeler D Doyle
Registered office	2nd Floor IQ Business Park 250 Fowler Avenue Farnborough Hampshire GU14 7JP
Auditor	KPMG LLP Chartered Accountants 1 The Embankment Neville Street Leeds West Yorkshire LS1 4DW

ARAMARK Limited
Directors' Report
for the Period from 3 October 2009 to 1 October 2010

The directors present their report and the financial statements for the Period from 3 October 2009 to 1 October 2010

Principal activity

The principal activity of the company is the management and provision of a range of food, vending and refreshment services for industry and commerce

Business review

ARAMARK Limited continued to trade in a challenging economic environment during the period ended 01 October 2010, experiencing - like many other businesses in different sectors - a decline in key performance metrics

Our turnover decreased by 11% from £407,315,801 in the period ended 2 October 2009 to £367,151,259 in the period ended 1 October 2010. While gross profit decreased in absolute value terms, the margin (on turnover) was actually better by 2%. A smaller reduction of 5% (from £245,123,421 in 2009 to £233,370,966) in operating expenditure was achieved during the same period underscoring management's commitment to maintain a basic level of investment in operations to drive the business forward when the economic environment improves.

Whilst staying alert to market changes, management is focussed on shaping the organisation for the future - streamlining operations, making cost improvements and seeking out and taking advantage of new opportunities as they arise.

Dividends

Dividends of £3,170,000 (2009 £nil) were paid during the period.

Balance sheet

The directors present financial statements showing shareholders' funds of £5,365,197 (2009 £9,744,218), reduced following the payment of the interim dividend.

The company has a long term loan with ARAMARK Investments Limited (AIL), its immediate parent. This loan is not repayable in the next 5 years. Interest accrues on this loan at LIBOR plus 2.125% plus adjustment for SWAPS which AIL had secured on a loan it holds with an external bank. SWAPS agreements of £50,000,000 expired on 31 March 2010.

Principal risks

The most significant risks to the company's profitability are

- Reduced demand from the company's main markets
- Increased statutory regulation, e.g. health and safety, corporate governance, environment

The board has strategies to manage these risks and remains confident of the continued success of the company.

ARAMARK Limited
Directors' Report
for the Period from 3 October 2009 to 1 October 2010

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Key Performance Indicators (KPIs)

The company's management monitors the performance of the operations compared to plan and projection

KPIs monitored on a monthly/weekly basis are

- Profit and cash generation
- Days sales outstanding
- Inventory weeks
- Pipeline business and future prospects
- Contracts at risk
- Purchasing compliance
- Sarbanes Oxley compliance
- Health and safety performance
- Staffing levels/ overtime hours
- Overhead expenditure levels

Future prospects

The directors are confident about the long-term prospects for the company, which is well established and focussed on a number of specialist markets, where quality and service have an intrinsic value and significant added value is also provided

The quality of the company's service and the strength of its of relationships with clients, along with various new and ongoing initiatives are anticipated to produce another satisfactory performance in 2011. There are opportunities to secure new business in 2011, which the company will strive to achieve

Directors of the company

The directors who held office during the period were as follows

A W Main

R Wheeler

D Doyle (appointed 16 August 2010)

N I Boston (resigned 5 February 2010)

Supplier payment policy

It is the company's policy to agree terms and conditions for its business transactions with suppliers. Payment is made on these terms subject to the terms and conditions being met by the supplier. The company's number of days outstanding in respect of trade creditors at 1 October 2010 was 39 days (2009 43 days)

Employment of disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees

ARAMARK Limited
Directors' Report
for the Period from 3 October 2009 to 1 October 2010

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Employee consultation

The company places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings and the company magazine.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Reappointment of auditors

The auditors KPMG LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 28/6/11 and signed on its behalf by


D Doyle
Director

ARAMARK Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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.



KPMG LLP
1 The Embankment
Neville Street
Leeds
LS1 4DW
United Kingdom

Independent auditor's report to the members of ARAMARK Limited

We have audited the financial statements of ARAMARK Limited for the 52 week period ended 1 October 2010 set out on pages 8 to 33. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 set out on page 5, 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, and express an opinion on, 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

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

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 1 October 2010 and of its profit for the 52 week period then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditors' report to the members of ARAMARK Limited *(continued)*

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 by the company, 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



David Morritt (Senior Statutory Auditor)
For and on behalf of KPMG LLP Statutory Auditor
Chartered Accountants
1 The Embankment
Leeds
West Yorkshire
LS1 4DW

29 June 2011

ARAMARK Limited
Profit and Loss Account
for the Period from 3 October 2009 to 1 October 2010

	Note	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Turnover	2	367,151	407,316
Cost of sales		<u>(130,603)</u>	<u>(152,829)</u>
Gross profit		236,548	254,487
Distribution costs		(18,871)	(17,700)
Administrative expenses		<u>(214,500)</u>	<u>(227,423)</u>
Operating profit	8	3,177	9,364
Loss on disposal of fixed assets	4	<u>(606)</u>	<u>(287)</u>
Profit on ordinary activities before interest		2,571	9,077
Other interest receivable and similar income	5	2,758	6,120
Interest payable and similar charges	6	(2,947)	(5,536)
Other finance costs	7	<u>(68)</u>	<u>(233)</u>
Profit on ordinary activities before taxation		2,314	9,428
Tax on profit or loss on ordinary activities	11	<u>(1,453)</u>	<u>(7,142)</u>
Profit for the financial period	21	<u>861</u>	<u>2,286</u>

Turnover and operating profit derive wholly from continuing operations

A statement of total recognised gains and losses is shown on page 9

There is no difference between the profit on ordinary activities before taxation and profit for the financial period stated above and their historical cost equivalents

ARAMARK Limited
Statement of Total Recognised Gains and Losses
for the Period from 3 October 2009 to 1 October 2010

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Profit for the financial period	861	2,286
Actuarial loss recognised on defined benefit pension scheme	(2,766)	(1,306)
Deferred tax on actuarial loss recognised on defined benefit pension scheme	<u>696</u>	<u>366</u>
Total recognised gains and losses relating to the financial period	<u><u>(1,209)</u></u>	<u><u>1,346</u></u>

ARAMARK Limited
(Registration number: 0983951)

Balance Sheet
at 1 October 2010

	Note	1 October 2010 £ 000	2 October 2009 £ 000
Fixed assets			
Intangible assets	13	39,046	42,309
Tangible assets	14	12,099	13,110
Investments	15	2,165	2,165
		<u>53,310</u>	<u>57,584</u>
Current assets			
Stocks	16	5,674	7,247
Debtors	17	107,245	111,890
Cash at bank and in hand		1,087	5,143
		<u>114,006</u>	<u>124,280</u>
Creditors amounts falling due within one year	18	<u>(76,988)</u>	<u>(86,088)</u>
Net current assets		<u>37,018</u>	<u>38,192</u>
Total assets less current liabilities		90,328	95,776
Creditors amounts falling due after more than one year	19	<u>(77,341)</u>	<u>(78,797)</u>
Net assets excluding pension liability		12,987	16,979
Net pension liability	24	<u>(7,622)</u>	<u>(7,235)</u>
Net assets		<u>5,365</u>	<u>9,744</u>
Capital and reserves			
Called up share capital	20	137	137
Capital reserve	21	164	164
Profit and loss account	21	5,064	9,443
Shareholders' funds	22	<u>5,365</u>	<u>9,744</u>

Approved by the Board on 28/6/11 and signed on its behalf by


D Doyle
Director

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards. Unlike the prior year, the directors have opted not to prepare consolidated financial statements, the company is exempt under section 400 of the Companies Act 2006. These financial statements present information about the company as an individual undertaking and not about its group. The results of the company are included in the consolidated accounts of ARAMARK Holdings Corporation.

Cash flow statement

No cash flow statement is presented as allowed under the provisions of Financial Reporting Standard No. 1 (Revised) since the company is a wholly owned subsidiary undertaking of ARAMARK Corporation.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Foreign currencies

Transactions denominated in foreign currencies are recorded at actual exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date. Gains and losses arising from changes in exchange rates subsequent to the dates of transactions are included as exchange gains or losses in the profit and loss account.

Assets and liabilities denominated in foreign currencies from overseas companies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Profit and loss items are translated at an average rate for the period and exchange gains or losses on conversion are included within reserves.

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

..... continued

Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

The company also operates two defined benefit pension schemes.

The company also operates two pension schemes providing benefits based on average pensionable pay, the "CCT plan" and the "main plan". The assets of the schemes are held separately from those of the company.

For the Main plan, pension scheme assets are measured using market values. For quoted securities the current bid price is taken as market value. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

For the CCT plan the share of underlying assets and liabilities of the scheme are split between those of ARAMARK Limited and ARAMARK Ireland Holdings Limited. The amount shown under CCT plan relates to ARAMARK Limited only.

The pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full. The movement in the scheme surplus/deficit is split between operating charges, finance items and, in the statement of total recognised gains and losses, actuarial gains and losses.

Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19 'Deferred Tax'.

Leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term. Finance leases granted to customers are reported as debtors and are stated at the value of the minimum rentals receivable less the finance charges allocated to future periods.

Finance income is allocated to accounting periods over the lives of the individual leases to produce a constant rate of return on the outstanding balance.

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

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Intangible fixed assets - goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	Straight line, 20 years

Tangible fixed assets

Tangible fixed assets are shown at cost less accumulated depreciation and any provision for impairment.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property	Straight line, 5 years
Plant, machinery & equipment	Straight line, 2-10 years
Motor vehicles	Straight line, 4 years

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Stocks

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Dividends on shares presented within equity

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

..... *continued*

2 Turnover

During the period 1 97% of the company's turnover related to exports (2009 2 74%)

All turnover relates to the company's principal activities. An analysis of turnover by geographical origination and destination is given below

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
United Kingdom	359,919	396,170
Rest of the world	7,232	11,146
	<u>367,151</u>	<u>407,316</u>

3 Auditor's remuneration

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Audit of the financial statements	<u>110</u>	<u>105</u>

4 Exceptional items

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Loss on sale of fixed assets	<u>606</u>	<u>287</u>

5 Other interest receivable and similar income

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Other interest receivable	<u>2,758</u>	<u>6,120</u>

The majority of interest receivable relates to exceptional interest received in respect of tax refunds

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

..... *continued*

6 Interest payable and similar charges

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Interest on loans from group undertakings	2,849	5,442
Other interest payable	98	94
	<u>2,947</u>	<u>5,536</u>

7 Other finance costs

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Expected return on pension scheme assets	(2,350)	(2,192)
Interest on pension scheme liabilities	2,418	2,425
	<u>68</u>	<u>233</u>

8 Operating profit

Operating profit is stated after charging

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Depreciation of owned tangible fixed assets	6,082	5,969
Auditor's remuneration	110	105
Amortisation of goodwill	3,263	3,263
Staff costs	165,812	184,921
Operating leases - land and buildings	1,463	1,459
Operating leases - motor vehicles	908	912
Operating leases - other assets	<u>1,952</u>	<u>2,015</u>

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

..... *continued*

9 Particulars of employees

The average number of persons employed by the company (including directors) during the period, analysed by category was as follows

	3 October 2009 to 1 October 2010 No.	4 October 2008 to 2 October 2009 No.
Service	11,598	12,366
Administration and support	337	359
Distribution	96	103
	<u>12,031</u>	<u>12,828</u>

The aggregate payroll costs were as follows

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Wages and salaries	150,988	169,347
Social security costs	11,671	12,786
Staff pensions costs	3,153	2,788
	<u>165,812</u>	<u>184,921</u>

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

..... *continued*

10 Directors' remuneration

The directors' remuneration for the period was as follows

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Remuneration (including benefits in kind)	746	1,028
Company contributions to defined benefit pension schemes	84	106
	<u>830</u>	<u>1,134</u>

During the period the number of directors who were receiving benefits was as follows

	3 October 2009 to 1 October 2010 No.	4 October 2008 to 2 October 2009 No.
Accruing benefits under defined benefit pension scheme	<u>2</u>	<u>3</u>

In respect of the highest paid director

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Remuneration excluding pension contributions	<u>399</u>	<u>463</u>

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

..... *continued*

11 Taxation

Tax on profit on ordinary activities

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Current tax		
Corporation tax charge	330	2,811
Double taxation relief	-	(278)
Group relief payable	2,488	2,495
Adjustments in respect of previous years	(2,056)	1,852
UK Corporation tax	<u>762</u>	<u>6,880</u>
Deferred tax		
Effect of changes in tax rates	51	-
Deferred tax relating to pension scheme (see below)	<u>640</u>	<u>262</u>
Total deferred tax	<u>691</u>	<u>262</u>
Total tax on profit on ordinary activities	<u><u>1,453</u></u>	<u><u>7,142</u></u>

Factors that may affect future tax charges

Depreciation in excess of capital allowances The amount not recognised in the period was (£2,210,000) (2 October 2009 - (£1,452,000)), on grounds that it is not expected to reverse in the future

Short term timing differences The amount not recognised in the period was (£109,000) (2 October 2009 - (£67,000)), on grounds that it is not expected to reverse in the future

Deferred tax in relation to pension scheme

	1 October 2010 £ 000	2 October 2009 £ 000
At beginning of financial period	2,814	2,710
Charge to profit and loss account	(640)	(262)
Credit to Statement of Total Recognised Gains and Losses	696	366
	<u><u>2,870</u></u>	<u><u>2,814</u></u>

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

..... *continued*

Factors affecting current tax charge for the period

Tax on profit on ordinary activities for the year is higher than (2009 higher than) the standard rate of corporation tax in the UK of 28% (2009 28%)

The differences are reconciled below

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Profit on ordinary activities before taxation	2,314	9,428
Corporation tax at standard rate	<u>648</u>	<u>2,640</u>
Movement in deferred tax not provided	461	143
Other timing differences	(664)	-
Expenses not deductible for tax purposes	957	886
Higher tax rates on overseas earnings	-	171
Adjustment in respect of prior periods	(2,056)	1,852
Group relief for nil consideration	-	(559)
Group relief for gross consideration	<u>1,416</u>	<u>1,747</u>
Total current tax	<u><u>762</u></u>	<u><u>6,880</u></u>

12 Dividends

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Dividends paid		
Current period interim dividend paid	<u>3,170</u>	<u>-</u>

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

..... *continued*

13 Intangible fixed assets

	Goodwill £ 000	Total £ 000
Cost		
At 3 October 2009	<u>59,782</u>	<u>59,782</u>
At 1 October 2010	<u>59,782</u>	<u>59,782</u>
Amortisation		
At 3 October 2009	17,473	17,473
Charge for the period	<u>3,263</u>	<u>3,263</u>
At 1 October 2010	<u>20,736</u>	<u>20,736</u>
Net book value		
At 1 October 2010	<u>39,046</u>	<u>39,046</u>
At 2 October 2009	<u>42,309</u>	<u>42,309</u>

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

..... *continued*

14 Tangible fixed assets

	Plant and machinery £ 000	Motor vehicles £ 000	Total £ 000
Cost or valuation			
At 3 October 2009	39,890	62	39,952
Additions	5,840	24	5,864
Disposals	(7,653)	(56)	(7,709)
At 1 October 2010	<u>38,077</u>	<u>30</u>	<u>38,107</u>
Depreciation			
At 3 October 2009	26,794	48	26,842
Charge for the period	6,078	4	6,082
Eliminated on disposals	(6,872)	(44)	(6,916)
At 1 October 2010	<u>26,000</u>	<u>8</u>	<u>26,008</u>
Net book value			
At 1 October 2010	<u>12,077</u>	<u>22</u>	<u>12,099</u>
At 3 October 2009	<u>13,096</u>	<u>14</u>	<u>13,110</u>

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

..... continued

15 Fixed asset investments

Shares in group undertakings

	Subsidiary undertakings £ 000	Total £ 000
Cost		
At 3 October 2009 and 1 October 2010	49,726	49,726
Provision for impairment		
At 3 October 2009 and 1 October 2010	<u>(47,561)</u>	<u>(47,561)</u>
Net book value		
At 3 October 2009 and 1 October 2010	<u><u>2,165</u></u>	<u><u>2,165</u></u>

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

..... *continued*

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

Undertaking	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings			
ARAMARK Gulf Limited	Ordinary	100%	Provision of food and cleaning services
ARAMARK Manning Services (UK) Limited	Ordinary	100%	Dormant
ARA Offshore Services Limited	Ordinary	100%	Dormant
ARAMARK Trustees Limited	Ordinary	100%	Pension scheme trustee
ARAMARK CCT Trustees Limited	Ordinary	100%	Pension scheme trustee
Stuart Cabeldu Limited	Catering Ordinary	100%	Dormant
The Original Food Company Limited (formerly Thwaites & Matthews (1980) Limited)	Ordinary	100%	Dormant
ARA Coffee Club Limited	Ordinary	100%	Dormant
ARA Coffee System Limited	Ordinary	100%	Dormant
ARA Food Services Limited	Ordinary	100%	Dormant
ARA Marketing Services Limited	Ordinary	100%	Dormant
ARA Catering & Vending Services Limited	Ordinary	100%	Dormant
ARAMARK Norway Limited	Ordinary	100%	Provision of food and cleaning services
ARAMARK Kazakhstan	Ordinary	100%	Dormant
ARAMARK Equatorial Guinea	Ordinary	100%	Dormant

ARAMARK Limited
Notes to the Financial Statements
for the Period from 3 October 2009 to 1 October 2010

..... continued

16 Stocks

	1 October 2010 £ 000	2 October 2009 £ 000
Goods for resale	<u>5,674</u>	<u>7,247</u>

17 Debtors

	1 October 2010 £ 000	2 October 2009 £ 000
Trade debtors	32,120	39,427
Amounts owed by group undertakings	71,277	57,709
Overseas tax recoverable	-	30
Other debtors	1,453	10,344
Prepayments and accrued income	2,248	4,380
Corporation tax recoverable	<u>147</u>	<u>-</u>
	<u>107,245</u>	<u>111,890</u>

18 Creditors: amounts falling due within one year

	1 October 2010 £ 000	2 October 2009 £ 000
Trade creditors	17,714	22,601
Amounts owed to group undertakings	39,422	38,480
Corporation tax	-	2,043
Other taxes and social security	7,695	7,128
Other creditors	2,803	3,462
Accruals and deferred income	<u>9,354</u>	<u>12,374</u>
	<u>76,988</u>	<u>86,088</u>

19 Creditors: amounts falling due after more than one year

	1 October 2010 £ 000	2 October 2009 £ 000
Amounts owed to group undertakings	<u>77,341</u>	<u>78,797</u>

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..... *continued*

The company has a loan with ARAMARK Investments Limited, its immediate parent. This loan is not repayable in the next five years. Interest accrues on this loan at LIBOR plus 2.125% plus adjustment for SWAPS. £50,000,000 of SWAPS agreements expired on 31st March 2010.

20 Share capital

Authorised, allotted, called up and fully paid shares

	1 October 2010		2 October 2009	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1.00 each	137	137	137	137

21 Reserves

	Capital reserve £ 000	Profit and loss account £ 000	Total £ 000
At 3 October 2009	164	9,443	9,607
Profit for the financial period	-	861	861
Dividends	-	(3,170)	(3,170)
Actuarial loss on pension schemes	-	(2,766)	(2,766)
Deferred tax relating to actuarial loss on pension schemes	-	696	696
At 1 October 2010	164	5,064	5,228

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22 Reconciliation of movement in shareholders' funds

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Profit for the financial period	861	2,286
Dividends	(3,170)	-
Retained (loss)/profit for the period	(2,309)	2,286
Actuarial loss net of deferred tax	(2,070)	(940)
Net (reduction)/addition to shareholders' funds	(4,379)	1,346
Shareholders' funds at start of period	9,744	8,398
Shareholders' funds at end of period	<u>5,365</u>	<u>9,744</u>

23 Commitments

Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £436,000 (2009 £863,000)

Financial commitments

There is a cross guarantee to the Group's principal bankers between the company and its subsidiary undertakings and its parent for all liabilities of these companies

Contingent liabilities

During 2009 the company received a claim from a number of ex-employees following the company's exit from its Azerbaijan operations, in respect to a number of years service. The company continues to discuss the merits of the claim with external counsel.

ARAMARK Limited
Notes to the Financial Statements
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..... *continued*

Operating lease commitments

As at 1 October 2010 the company had annual commitments under non-cancellable operating leases as follows

Operating leases which expire

	1 October 2010 £ 000	2 October 2009 £ 000
Land and buildings		
Within one year	77	690
Within two and five years	328	198
Over five years	<u>257</u>	<u>295</u>
	<u>662</u>	<u>1,183</u>
Other		
Within one year	96	57
Within two and five years	650	301
Over five years	<u>8</u>	<u>-</u>
	<u>754</u>	<u>358</u>

24 Pension schemes

The company makes contributions to three pension schemes covering executives, staff and offshore personnel. The assets of these funded schemes are held in separate trustee administered funds. One is a defined benefit scheme (the 'Main plan') and one is a defined contribution scheme. The third is a defined benefit scheme (the 'CCT plan') and participants of this scheme consist of employees from both ARAMARK Limited and ARAMARK Ireland Limited. The amounts shown under CCT plan relate to ARAMARK Limited only.

Defined contribution scheme

The company made contributions of £1,788,000 (2009 £1,472,000) towards the defined contribution scheme during the period. There were no outstanding contributions to the scheme at the beginning or end of the financial period.

CCT plan

The scheme is relatively small, with a deficit of £104,000 (2009 deficit of £72,000). On grounds of materiality, the directors do not consider that further disclosure of the scheme is material to the financial statements.

The costs recognised within administrative expenses are £478,750 (2009 £414,000).

The CCT plan will have new entrants to the extent that TUPE is applied under some new contracts.

ARAMARK Limited
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Main plan

The Main plan closed for existing active members for future accrual on 31 March 2011

The pension costs relating to the defined benefit scheme are assessed in accordance with the advice of a qualified, independent actuary. The amount charged in the profit and loss account for the pension cost of the company was £886,000 (2009 £902,000)

The latest valuation of the Main plan was carried out as at 31 March 2007, using the projected unit method. The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments, the rates of increase in salaries and pensions, and demographic assumptions including mortality assumptions. It was assumed that the discount rate pre retirement would be 6.7% and post retirement 5.1% and that present and future pensions would increase at the rate of 3.3% per annum. The next full valuation of the Main plan is as at March 2010.

The market value of the scheme's assets at 1 October 2010 was £39.3m and the actuarial value of those assets represented 63% of the benefits that had accrued to members based on the ongoing funding basis, after allowing for expected future increases in earnings.

With effect from 1 April 2010, the company contribution rates were increased from 27.8% to 28.1% of pensionable salaries in respect of the Staff section of the scheme and increased from 28.1% to 28.4% of pensionable salaries in respect of the Executive section of the scheme. The new rates will remain in force until the results of the next actuarial valuation are known.

Main plan

Contributions payable to the pension scheme at the end of the period are £nil (2009 £nil)

The total contributions in the next year are expected to be £1,165,000

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the balance sheet are as follows

	1 October 2010 £ 000	2 October 2009 £ 000
Fair value of scheme assets	39,301	33,044
Present value of scheme liabilities	(49,743)	(43,093)
Deficit	(10,442)	(10,049)
Related deferred tax asset	2,820	2,814
Net liability	<u>(7,622)</u>	<u>(7,235)</u>

ARAMARK Limited
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..... *continued*

Scheme liabilities

Changes in the present value of scheme liabilities are as follows

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Present value at start of period	43,093	40,081
Current service cost	703	669
Actuarial gains and losses	4,492	1,556
Interest cost	2,418	2,425
Benefits paid	(1,400)	(2,018)
Contributions by scheme participants	322	380
Effect of curtailments	115	-
Present value at end of period	<u>49,743</u>	<u>43,093</u>

Scheme assets

Changes in the fair value of scheme assets are as follows

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Fair value at start of period	33,044	30,404
Expected return on assets	2,350	2,192
Actuarial gains and losses	1,726	249
Employer contributions	3,259	1,837
Contributions by scheme participants	322	380
Benefits paid	(1,400)	(2,018)
Fair value at end of period	<u>39,301</u>	<u>33,044</u>

Analysis of assets

The fair value of the scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised were as follows

	1 October 2010 £ 000	2 October 2009 £ 000
Equity instruments	23,619	19,891
Debt instruments	15,285	12,929
Other assets	397	224
	<u>39,301</u>	<u>33,044</u>

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Actual return on scheme's assets

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Actual return on scheme assets	<u>4,076</u>	<u>2,441</u>

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company

The overall expected return on assets assumption is derived as the weighted average of the expected returns from each of the main asset classes

Amounts recognised in the profit and loss account

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Amounts recognised in operating profit		
Current service cost	703	669
Losses on curtailments and settlements	<u>115</u>	<u>-</u>
Recognised in arriving at operating profit	<u>818</u>	<u>669</u>
Amounts recognised in other finance cost		
Interest cost	2,418	2,425
Expected return on scheme assets	<u>(2,350)</u>	<u>(2,192)</u>
Recognised in other finance cost	<u>68</u>	<u>233</u>
Total recognised in the profit and loss account	<u>886</u>	<u>902</u>

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Principal actuarial assumptions

The expected rates of return on plan assets are determined by reference to the historical returns, without adjustment, of the portfolio as a whole and not on the sum of the returns on individual asset categories

The principal actuarial assumptions (expressed as weighted averages) at the balance sheet date were as follows

	1 October 2010 %	2 October 2009 %
Discount rate	5.20	5.60
Future salary increases	4.00	4.00
Future pension increases	3.00	3.00
Inflation	3.10	3.10
Expected return on scheme assets - equity	8.60	8.60
Expected return on scheme assets - debt securities	4.75	4.75
Expected return on scheme assets - other	<u>6.80</u>	<u>7.10</u>

Post retirement mortality assumptions

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity

The assumptions used by the actuary are chosen from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice

The assumptions are equivalent to expecting a 65-year old to live for a number of years as follows

	1 October 2010 Years	2 October 2009 Years
Current pensioners at retirement age - male	21.40	21.40
Current pensioners at retirement age - female	<u>23.80</u>	<u>23.70</u>

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Amounts recognised in the statement of total recognised gains and losses

	3 October 2009 to 1 October 2010 £ 000	4 October 2008 to 2 October 2009 £ 000
Actual return less expected return on scheme assets	(2,766)	(1,306)
Other actuarial gains/(losses)	696	366
Actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses	<u>(2,070)</u>	<u>(940)</u>

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and (losses) for accounting periods ending on or after 22 June 2002 and subsequently included by prior year adjustment under paragraph 96 of FRS 17 'Retirement Benefits' are (£7,586,000) (2009 - (£5,516,000))

History of experience adjustments on scheme assets and liabilities

Amounts for the current and previous 4 periods are as follows

	1 October 2010 £ 000	2 October 2009 £ 000	3 October 2008 £ 000	28 September 2007 £ 000	29 September 2006 £ 000
Fair value of scheme assets	39,301	33,044	30,404	35,244	30,129
Present value of scheme liabilities	<u>(49,743)</u>	<u>(43,093)</u>	<u>(40,081)</u>	<u>(38,572)</u>	<u>(37,880)</u>
Deficit in scheme	<u>(10,442)</u>	<u>(10,049)</u>	<u>(9,677)</u>	<u>(3,328)</u>	<u>(7,751)</u>

Experience adjustments

	1 October 2010 £ 000	2 October 2009 £ 000	3 October 2008 £ 000	28 September 2007 £ 000	29 September 2006 £ 000
Experience adjustments arising on scheme assets	1,726	249	(8,400)	1,636	1,065
Experience adjustments arising on scheme liabilities	<u>(4,492)</u>	<u>(1,555)</u>	<u>255</u>	<u>1,131</u>	<u>1,118</u>
	<u>(2,766)</u>	<u>(1,306)</u>	<u>(8,145)</u>	<u>2,767</u>	<u>2,183</u>

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25 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group

26 Ultimate parent company

The company is controlled by ARAMARK Holdings Corporation and is a wholly owned subsidiary undertaking of ARAMARK Investments Limited, registered in England and Wales. The ultimate parent company is ARAMARK Holdings Corporation, incorporated in the State of Delaware, USA.

The largest and smallest Group in which the results of ARAMARK Limited are consolidated is that headed by ARAMARK Holdings Corporation. The financial statements of ARAMARK Holdings Corporation are available to the public at its head office ARAMARK Tower, 1101 Market Street, Philadelphia, PA 19107, USA.