

Sodexo Prestige Limited

**Directors' report and financial
statements**

Registered number 2726494

31 August 2009

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 August 2009

Principal Activities

The Company's principal activities were the provision of catering and hospitality services at sporting, leisure and other events and at public attractions in the UK

Business Review

The Company is a wholly owned subsidiary of Sodexo Limited, registered in England and Wales. Its ultimate parent is Sodexo S A, a French company listed on the Paris Euronext. Sodexo operates in 80 countries, employing over 355,000 people in the provision of a wide range of food services, soft services and technical services.

On 31 August 2008, the Company transferred its entire trade and assets to Sodexo Limited, its immediate parent undertaking, at book value for intercompany consideration. This is an inter group transaction which is exempt to taxation.

Sodexo Prestige Limited ceased trading on 31 August 2008.

Political and charitable contributions

The Company made no political contributions during the year (2008 £nil).

Donations to UK charities amounted to £nil (2008 £nil).

Proposed dividend

The profit for the financial year amounted to £nil (2008 £13,966,000).

Dividends paid during the year comprise an interim dividend in respect of the year ended 31 August 2009 of £13,511,000 (2008 £nil). This is equivalent to 79.5p per share.

Going concern

The directors have considered the future profitability of the Company and its ability to continue as a going concern and have prepared profit and cash flow forecasts into the future. Based on these projections the directors are satisfied that, for the foreseeable future, the Company can meet its projected working capital requirements. Consequently the financial statements have been prepared on a going concern basis.

Directors

The directors who held office during the year were as follows:

P E R Jansen	Resigned 1 September 2008
A J Connolly	
C John	
Sodexo Corporate Services (No 1) Limited	Appointed 1 September 2008

Insurance of directors

The company maintains insurance for directors and officers in respect of their duties as directors and officers of the company.

Employees

No staff were employed by the Company during the year.

All staff were transferred to Sodexo Limited as part of the restructure on 31 August 2008.

Directors' report *(continued)*

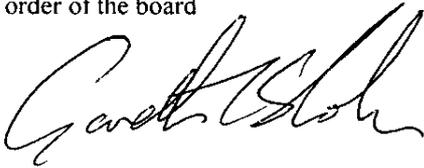
Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

Pursuant to s487 of the Companies Act 2006, the auditors will be deemed to be reappointed and therefore KPMG LLP will continue in office

By order of the board



Gareth John
Authorised Signatory
Sodexo Corporate Services (No 2) Limited
Secretary

Solar House
Kings Way
Stevenage
Hertfordshire
SG1 2UA
25 May 2010

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK 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 then apply them consistently,
- make judgments and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP
8 Salisbury Square
London
EC4Y 8BB
United Kingdom

Independent auditors' report to the members of Sodexo Prestige Limited

We have audited the financial statements of Sodexo Prestige Limited for the year ended 31 August 2009 set out on pages 6 to 15. 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 sections 495 and 496 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 3, 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

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 31 August 2009 and of its profit for the year 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 year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of Sodexo Prestige 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, 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



Mark Bailache (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Salisbury Square
London
EC4Y 8BB

25/5/10

Profit and loss account
for the year ended 31 August 2009

	<i>Note</i>	2009 £000	2008 £000
Turnover	2	-	86 511
Cost of sales	3	-	(82,175)
		<hr/>	<hr/>
Gross profit		-	4 336
Administrative expenses	3	-	(4 895)
		<hr/>	<hr/>
Operating (loss)		-	(559)
Interest receivable and similar income	6	-	1,126
Income from shares in group undertakings		-	13,577
		<hr/>	<hr/>
Profit on ordinary activities before taxation	8	-	14,144
Tax on profit on ordinary activities	9	-	(178)
		<hr/>	<hr/>
Retained profit for the year		-	13,966
		<hr/> <hr/>	<hr/> <hr/>

All results arise from operations which are discontinued in Sodexo Prestige Limited, but have continued in Sodexo Limited

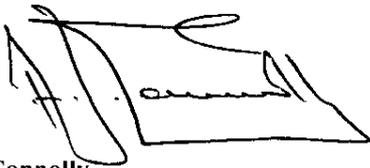
The company has no recognised gains or losses, other than the profit above and therefore no separate statement of total recognised gains and losses has been prepared

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above and the historic equivalents

Balance sheet
at 31 August 2009

	<i>Note</i>	2009 £000	2009 £000	2008 £000	2008 £000
Fixed assets					
Investments	<i>11</i>		4,996		4 996
			<hr/>		<hr/>
			4,996		4 996
Current assets					
Debtors	<i>12</i>	11,957		25 468	
		<hr/>		<hr/>	
Net current assets			11,957		25,468
			<hr/>		<hr/>
Total assets less current liabilities			16,953		30,464
			<hr/>		<hr/>
Net assets			16,953		30,464
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	<i>13</i>		16,953		16,953
Profit and loss account	<i>14</i>		-		13,511
			<hr/>		<hr/>
Shareholders' funds – Equity			16,953		30 464
			<hr/>		<hr/>

These financial statements were approved by the Board of Directors on 25 May 2010 were signed on its behalf by



A J Connolly
 Director
 Sodexo Prestige Limited Registered number 2726494

Reconciliation of movements in shareholders' funds
for the year ended 31 August 2009

	2009 £000	2008 £000
Profit for the financial year	-	13 966
Dividends on shares classified in shareholders' funds	(13,511)	-
	<hr/>	<hr/>
Net addition to shareholders' funds	(13,511)	13 966
Opening shareholders' funds	30,464	16 498
	<hr/>	<hr/>
Closing shareholders' funds	16,953	30 464
	<hr/> <hr/>	<hr/> <hr/>

Notes

(forming part of the financial statements)

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, except as noted below

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

The financial statements have been prepared on the going concern basis

On 31 August 2008, the Company transferred its entire trade and assets to Sodexo Limited, its immediate parent undertaking, at book value for intercompany consideration. This is an inter group transaction which is exempt to taxation

The Company is exempt by virtue of s402 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the Company as an individual undertaking and not about its group

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

As the Company is a wholly owned subsidiary of Sodexo S A , the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Sodexo S A , within which this company is included, can be obtained from the address given in note 16

The directors have considered the future profitability of the Company and its ability to continue as a going concern and have prepared profit and cash flow forecasts into the future. Based on these projections the directors are satisfied that, for the foreseeable future, the Company can meet its projected working capital requirements. Consequently the financial statements have been prepared on a going concern basis

Turnover

Turnover is recognised based on the amount receivable in respect of goods and services provided, net of discounts and allowances payable to customers under contractual arrangements, and excluding VAT

Fixed asset investments

Shares in subsidiary undertakings are stated at cost, less provisions for any diminution in value

Taxation

The charge for taxation is based on the loss for the year 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

Dividends on shares presented within shareholders' funds

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

Notes (continued)

2 Turnover

The Company's activities consist solely of the provision of hospitality, food and management services in the United Kingdom. These activities were transferred to Sodexo Limited on 31 August 2008.

3 Operating expenses

	2009 £000	2008 £000
Raw materials and consumables	-	23,556
Other external charges	-	32,643
Depreciation of tangible fixed assets	-	1,312
Personnel costs (note 5)	-	29,559
	-	87,070
	-	87,070

Operating costs are disclosed within cost of sales £nil (2008 £82,175,000) and administrative expenses £nil (2008 £4,895,000) on the face of the profit and loss account.

4 Directors' emoluments

	2009 £000	2008 £000
Aggregate emoluments and benefits	-	335
Number of directors to whom retirement benefits are accruing under defined benefit schemes	-	-
Highest paid director		
Aggregate emoluments and benefits	-	262
Accrued pension at end of year in defined benefit scheme	-	-

Emoluments of the directors in the current year were borne by Sodexo Limited.

Notes *(continued)*

5 Employee information

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

	Number of employees	
	2009	2008
Food and management services (full time employees)	-	432
	-	432

The aggregate payroll costs of these persons were as follows

	2009		2008	
	£000		£000	
Wages and salaries	-		27 355	
Social security costs	-		1 801	
Other pension costs	-		403	
	-		29 559	

No staff were employed by the Company during the year

All staff were transferred to Sodexo Limited as part of the restructure on 31 August 2008

6 Interest receivable

	2009		2008	
	£000		£000	
Interest receivable on bank deposits	-		72	
Interest from group undertakings	-		1,054	
	-		1 126	

7 Interest payable and similar charges

	2009		2008	
	£000		£000	
On other loans	-		-	
	-		-	

Notes (continued)

8 Operating profit on ordinary activities before taxation

	2009	2008
	£000	£000
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Depreciation and other amounts written off tangible fixed assets		
Owned	-	1 312
Hire of plant and machinery - rentals payable under operating leases	-	254
Hire of other assets - operating leases	-	4 309
Deferred charges - prepayment of rent	-	451
Concession rentals	-	15 905
Sodexo group charge	-	489
	<u> </u>	<u> </u>
	2009	2008
	£000	£000
<i>Auditors remuneration</i>		
Audit of these financial statements	-	50
	<u> </u>	<u> </u>

Audit fees for the current year were borne by Sodexo Limited

Notes (continued)

9 Taxation

Analysis of charge in year

	2009 £000	2008 £000
<i>UK corporation tax</i>		
Current tax on profit for the period	-	272
Adjustments in respect of previous period	-	(190)
	-	82
<i>Deferred tax</i>		
Adjustments in respect of previous periods	-	96
	-	96
Tax charge on profit on ordinary activities	-	178

Factors affecting the tax charge for the current year

On 1 April 2008, the standard rate of corporation tax changed to 28% and capital allowance legislation impacting on the calculation of the deferred tax provision of the Company was introduced for taxable periods on or after 1 April 2008. For the purpose of the Company accounts to 31 August 2008, a blended rate of corporation tax has been applied.

The current tax charge (*2008 charge*) for the period is the same as (*2008 lower*) the standard rate of corporation tax of 28% (*2008 blended rate of 29.2%*). The differences are explained below.

	2009 £000	2008 £000
Profit on ordinary activities before tax	-	14 144
	-	4 125
Current tax at standard rate of 28% (<i>2008 blended rate of 29.2%</i>)	-	4 125
<i>Effects of</i>		
Expenses not deductible for tax purposes	-	107
UK dividends received	-	(3 960)
Adjustments to tax in respect of previous periods	-	(190)
	-	82
Current tax charge for year	-	82

Notes (continued)

10 Dividends

The aggregate amount of dividends comprises

	2009 £000	2008 £000
Interim dividends paid in respect of the current year	13,511	-
Aggregate amount of dividends paid in the financial year	13,511	-
	13,511	-

11 Fixed asset investments

	Share in subsidiary undertakings
	2009 £000
Cost	
At beginning and end of year	11,049
	11,049
Provisions	
At beginning and end of year	(6,053)
	(6,053)
Net book value	
At beginning and end of year	4,996
	4,996

The principal companies in which the Company's interest at the year end is more than 20% are as follows

	Country of incorporation	Principal Activity	Percentage of ordinary shares held
Subsidiary undertakings			
Brookes Outside Catering Limited	England and Wales	Dormant	100%
Cadogan Caterers Limited	England and Wales	Dormant	100%
Cadogan Caterers (Windsor) Limited	England and Wales	Dormant	100%
Gilmour & Pether Limited	England and Wales	Dormant	100%
Lawson Beaumont Limited	England and Wales	Dormant	100%
Ring & Brymer Limited	England and Wales	Dormant	100%
Rugby Travel and Hospitality Limited	England and Wales	Hospitality Services	80%
Town and County Catering Limited	England and Wales	Dormant	100%
Wheatsheaf Limited	England and Wales	Dormant	100%
Wheatsheaf Catering Limited	England and Wales	Dormant	100%

Notes (continued)

12 Debtors

	2009 £000	2008 £000
Amounts owed by parent and fellow subsidiary undertakings	11,957	25,468
	11,957	25,468
	11,957	25,468

13 Called up share capital

	2009 £000	2008 £000
<i>Authorised</i>		
Equity 16 953 000 Ordinary shares of £1 each	16,953	16 953
	16,953	16 953
	16,953	16 953
<i>Allotted, called up and fully paid</i>		
Equity 16 953 000 Ordinary shares of £1 each	16,953	16 953
	16,953	16 953
	16,953	16 953

14 Reserves

	Profit and loss account £000
At beginning of year	13,511
Dividends on shares classified as in shareholders funds	(13,511)
	-
At end of year	-

15 Related party disclosures

The group has taken exemption under Financial Reporting Standard 8 from disclosure of intra-group transactions and balances as these are eliminated on consolidation in the financial statements of the ultimate parent undertaking

16 Ultimate parent company and ultimate controlling party

The Company's ultimate parent company and controlling party is Sodexo S A , a company incorporated in France This is the smallest group of undertakings for which consolidated financial statements are prepared Copies of the consolidated financial statements can be obtained from The Secretary, Sodexo S A , 255 Quai de la Bataille de Stalingrad, 92866 Issy-Les-Moulineaux, France

The Company s immediate parent undertaking and controlling party is Sodexo Limited, a company incorporated in England and Wales