

Charity No: 1099934

Company Registration No: 4866716

**Compass Group Foundation**  
(A company limited by guarantee)

**Report and Financial Statements**

**30 September 2010**



**REPORT AND FINANCIAL STATEMENTS 2010**

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**REPORT AND FINANCIAL STATEMENTS 2010**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS AND TRUSTEES**

A J Coates  
P M Leith  
P A Galvin  
P J Maguire

**SECRETARY**

Compass Secretaries Limited

**REGISTERED OFFICE**

Parklands Court  
24 Parklands  
Birmingham Great Park  
Rubery  
Birmingham  
West Midlands  
B45 9PZ

**BANKERS**

Barclays Bank PLC  
Gredley House  
The Broadway  
Stratford  
London  
E15 4BQ

**SOLICITORS**

Bailes, Wells & Braithwaite  
2-6 Cannon Street  
London  
EC4M 6YH

**AUDITORS**

Deloitte LLP  
Chartered Accountants and Statutory Auditors  
Birmingham, United Kingdom

## DIRECTORS' REPORT

The directors, who are also the trustees, are pleased to present their report and the audited financial statements for the year ended 30 September 2010

The financial statements have been prepared in accordance with the accounting policies set out on page 9 and comply with the charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities", revised in March 2005

### STATUS

Compass Group Foundation ("The Foundation") is a charitable company limited by guarantee, incorporated on 14 August 2003 and registered as a charity on 9 October 2003

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the trustees are elected at the AGM to serve a period of 3 years.

As a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 30 September 2010 there were 4 members. There is no controlling entity.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Foundation comprises of a number of Compass Group and external/independent trustees who meet twice yearly on Compass premises to review funding, decide on strategy, review project progress and allocate funding to projects accordingly. The daily management of the selected projects and the management and administration surrounding funding requests is handled by the one member of staff of Compass Group seconded partly to the Foundation.

### TRUSTEES

Trustees can serve for as long as they are eligible and will be replaced with a suitable trustee on resignation if required. Appropriate induction and continuing training is arranged for trustees.

The trustees of the Foundation board are currently two Compass senior managers, Peter Maguire, Director of Property & Insurance and Paul Galvin, Compass Group UK & Ireland Finance Director. The two external trustees are Prue Leith and Alan Coates. The Foundation company secretary serves all these trustees.

None of the trustees receive any remuneration or expense payments from the Foundation.

The trustees confirm that due regard has been paid to public benefit guidance published by the Charity Commission.

### ACTIVITIES

The trustees have agreed to allow the Foundation to become dormant, as although giving something back to the communities in which it trades is still central to the business ethos of the Compass Group PLC, it no longer views the Foundation as the vehicle that discharges that responsibility. Accordingly, the financial statements are prepared on a basis other than going concern.

During the year the Foundation made charitable donations of £104,911 to Cancer Research UK and a further £40,000 to other charities.

### RESULTS

The results for the period are set out on page 7. The level of net reserves as at 30 September 2010 amounted to £nil.

## **DIRECTORS' REPORT (Continued)**

### **RESERVES POLICY**

The Foundation was funded annually by a formula that was proportionate to the operating profit generated by the UK division of Compass Group PLC and therefore aligned activity with the group's expansion and success. The policy was to not to commit to expenditure before securing appropriate funding.

### **RISK REVIEW**

In 2006, the directors conducted their own review of the major risks to which the charity was exposed. Internal risks are minimised by the use of procedures for authorisation of all transactions and projects. The key risks to the Foundation are theft and misappropriation of funds. The Foundation has procedures in place to mitigate these risks.

### **DIRECTORS**

The current directors for the purpose of company law and trustees for the purpose of charity law are set out on page 1

P J Maguire was appointed as director on 30 June 2010, P A Galvin was appointed as a director on 31 December 2010, I R S El-Mokadem resigned on 31 March 2010, J Pain resigned on 30 June 2010 and N R Smith resigned on 31 December 2010

The charity holds an annual general meeting every calendar year with not more than 15 months between meetings

### **AUDITORS**

Each of the persons who is a directors of the Foundation at the date when this report is approved

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Foundation's auditors are unaware and
- each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the Foundation'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

The Company has elected to dispense with the obligation to appoint auditors annually and, accordingly, Deloitte LLP shall be deemed to be re-appointed as auditors for a further term under the provision of section 485 of the Companies Act 2006

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



P J Maguire  
Director

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors (who are also trustees of Compass Group Foundation for the purpose of charity law) 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 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 Foundation and of the incoming resources and application of resources, including the income and expenditure, of the Foundation for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP,
- make judgements and 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 Foundation will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Foundation's transactions and disclose with reasonable accuracy at any time the financial position of the Foundation 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Foundation's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPASS GROUP FOUNDATION**

We have audited the financial statements of Compass Group Foundation for the year ended 30 September 2010, which comprise the Statement of Financial Activities (including Income and Expenditure account), the Balance Sheet and the related notes 1 to 9. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable 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**

The directors (who are also the trustees of the company for the purposes of charity law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of directors' remuneration specified by law are not made.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPASS GROUP FOUNDATION (Continued)**

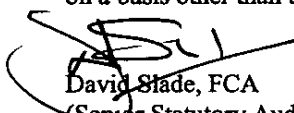
### **Opinion**

#### **In our opinion**

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 30 September 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been properly prepared in accordance with the Companies Act 2006, and
- the information given in the Directors' Report is consistent with the financial statements

#### **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



David Stade, FCA  
(Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
Birmingham, United Kingdom

7 June 2011



**STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure account)**

**Year ended 30 September 2010**

	Note	2010 £	2009 £
<b>Incoming Resources</b>			
<i>Voluntary income</i>			
Donations including Gifts in Kind	2	530	43
<b>Total incoming resources</b>		<u>530</u>	<u>43</u>
<b>Resources expended</b>			
<i>Charitable activities</i>			
Other donations / sponsorship		(144,911)	(50,000)
Costs of grant making		(144,911)	(50,000)
Governance costs	4	(6,752)	(3,826)
<b>Total resources expended</b>	3	<u>(151,663)</u>	<u>(53,826)</u>
<b>Net expenditure for the year being net movement in funds</b>		<u>(151,133)</u>	<u>(53,783)</u>
<b>Total funds brought forward</b>		<u>151,133</u>	<u>204,916</u>
<b>Total funds carried forward</b>	7	<u>-</u>	<u>151,133</u>

All activities derive from discontinuing operations

None of the income funds are restricted

The accompanying notes are an integral part of this statement of financial activities

**BALANCE SHEET**  
**30 September 2010**

		2010	2009
	Note	£	£
<b>CURRENT ASSETS</b>			
Cash at bank		-	154,914
		-	154,914
<b>CREDITORS: amounts falling due within one year</b>	6	-	(3,781)
<b>NET CURRENT ASSETS BEING NET ASSETS</b>		-	151,133
<b>UNRESTRICTED INCOME FUNDS</b>	7	-	151,133

The accompanying notes are an integral part of this balance sheet.

The financial statements of Compass Group Foundation (registration number 4866716) were approved by the board of directors and authorised for issue on 6 June 2011

They were signed on its behalf by



P J Maguire  
Director

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2010

## 1. ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Charities Act 1993. As explained in the directors' report, the directors have agreed to allow the Foundation to become dormant. Accordingly the financial statements are prepared on a basis other than as a going concern. The accounting policies have been applied consistently this year and in the prior year.

### Income

Income is received by way of donations of money and the provision of staff as a gift in kind. The value of this gift in kind was recognised by the Foundation at the cost to the employer, Compass Group UK & Ireland.

Income is recognised in the Statement of Financial Activities once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.

### Resources expended

Resources expended are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure.

### Grant making

Grant applications and proposals for seed funding or project funding in order to start up a venture are considered by the trustees and grants are given to appropriate proposals on their merits.

## 2. DONATIONS

	2010 £	2009 £
Other donations	530	43

## 3. TOTAL RESOURCES EXPENDED

	Other donations £	Governance costs £	2010 Total £	2009 Total £
Donations	144,911	-	144,911	50,000
Other	-	6,752	6,752	3,826
	<u>144,911</u>	<u>6,752</u>	<u>151,663</u>	<u>53,826</u>

There were no donations to individuals (2009 – none) and 4 donations to institutions (2009 – 1) during the year.

# NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 September 2010

## 3. TOTAL RESOURCES EXPENDED (CONTINUED)

Resources expended are stated after charging

	2010 £	2009 £
Auditor's remuneration		
Audit services	530	3,781

Auditor's remuneration in respect of the audit of the company's annual accounts of £530 (2009 - £3,781) is borne by Compass Contract Services (UK) Limited

## 4. GOVERNANCE COSTS

Governance costs are those general support costs which are not apportioned to the charitable activities of the Foundation and comprise costs incurred by Compass Group Services (UK) Limited and recharged to the Foundation

## 5. DIRECTORS' EXPENSES AND REMUNERATION

Directors nor any persons connected with them have received remuneration from the Foundation. No reimbursement for expenses incurred in relation to their activities for the Foundation has been made

## 6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Accruals	-	3,781

## 7. MOVEMENT IN FUNDS

	At 30 September 2009 £	Incoming Resourced £	Resources Expended £	At 30 September 2010 £
General funds	151,133	-	(151,133)	-

## 8. TAXATION

The Foundation is a registered charitable company and as such is exempt from taxation of its income and gains to the extent that they are applied to its charitable objectives

## 9. POST YEAR END EVENTS

There are no post year events