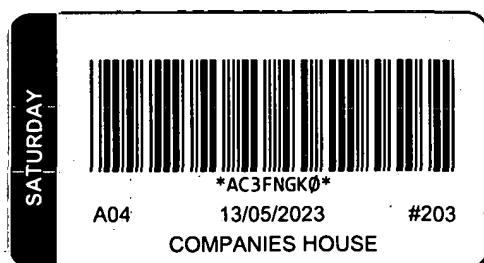


Registration number: 10633160

Aramark Defence Services Limited

Directors' Report and Financial Statements

for the period from 2 October 2021 to 30 September 2022



Aramark Defence Services Limited

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Aramark Defence Services Limited
Directors and Other Information

Directors	F Gleeson H Milligan-Smith R Chawla (resigned 31 December 2022) T Neville (appointed 31 December 2022)
Secretary	S Miah
Registered office	100 Avebury Boulevard Milton Keynes Buckinghamshire MK9 1FH United Kingdom
Auditor	Deloitte Ireland LLP Chartered Accountant & Statutory Audit Firm Deloitte & Touche House Earlsfort Terrace Dublin 2 Republic of Ireland
Banker	Barclays Bank Plc South Essex 3 Leicestershire LE87 2BB
Solicitor	Shoosmiths Witan Gate House 500-600 Witan Gate West Milton Keynes Buckinghamshire MK9 1SH
Registered Number	10633160

Aramark Defence Services Limited
Strategic Report
For the period from 2 October 2021 to 30 September 2022

The directors present their annual strategic report and the financial statements for the period from 2 October 2021 to 30 September 2022.

Principal activity

The principal activity of the company is the management and provision of a range of food, vending and facilities services, under a number of contracts, with the Company's principal client, the Ministry of Defence. It is envisaged that this will continue to be the principal activity of the company for the foreseeable future.

Business review and result

The company focuses on promoting efficiencies and driving out unnecessary costs from the business whilst targeting profitable new business opportunities and maintaining a sustainable, long-term relationship with its principal client.

Revenue performance for the year ending 30 September 2022 increased by 7% versus prior year and profit for the period was £3.1m (2021: £2.4m).

Future developments

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

Key performance indicators

The company's management monitors turnover and operating profit to assess the company's financial position against annual targets.

Position of the company's business for the period ended 30 September 2022

As at 30 September 2022, the company had net liabilities of £0.2m (2021: £3.3m) and net current liabilities of £2.9m (2021: £8.6m).

Principal risks and uncertainties

The most significant risks to the company's profitability are:

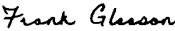
- Establishing efficient procedures with cost constraints of key contracts.
- Increased statutory regulation, e.g. health and safety, corporate governance and environmental regulations

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

Post Balance sheet events

There were no significant events subsequent to the balance sheet date that would require adjustment to or disclosure in the financial statements.

Signed on behalf of the Board on 31 March 2023 and signed on its behalf by:

DocuSigned by:

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Director

Aramark Defence Services Limited

Directors' Report

For the period from 2 October 2021 to 30 September 2022

The directors present their directors report and the financial statements of the company for the period from 2 October 2021 to 30 September 2022.

Results and dividends

The post-tax profit for the period was £3.1m (2021: £2.4m). The directors do not recommend the payment of a dividend (2021: Nil).

Balance sheet

The Balance Sheet shows a shareholders' deficit of £0.2m (2021: £3.3m deficit) for the company as at 30 September 2022. Whilst the company is reporting a shareholders' deficit on its balance sheet this is principally due to starting up operations but is reducing year on year as the contract's generates profits. The company's projections indicate it will be profitable over the term of the principal contract.

Directors and secretary and their interests

The directors who held office during the period and subsequent to the period end were as follows:

F Gleeson

H Milligan-Smith

R Chawla (resigned 31 December 2022)

T Neville (appointed 31 December 2022)

S Miah (Company secretary)

None of the Directors had any interest in the shares of the company at the beginning or the end of the year.

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.

Streamlined Energy and Carbon Reporting

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 implement the government's latest policy on SECR. SECR replaced the Carbon Reduction Commitment Energy Efficiency Scheme (CRC) in April 2019. This new framework aims to simplify carbon and energy reporting requirements while still ensuring that companies have the information required to understand and reduce their emissions and energy costs.

Aramark is concerned about energy consumption and carbon emissions and wishes to utilise the mandatory SECR legislation as a foundation for identifying ways of saving energy and reducing carbon emissions.

Approach

The UK Government's environmental reporting guidance on how to measure and report greenhouse gas emissions has been used, along with the relevant greenhouse gas reporting figures. The financial control approach has been used to define the scope boundary.

Reporting Period

The reporting period is 1st October 2021 – 30th September 2022.

Base Year & Changes in Emissions

A base year of 1st October 2021 – 30th September 2022 has been used, as this is the earliest year for which reliable data was recorded and measured. This base year will be used as the benchmark for future emission data and consumption changes. The recalculation policy is to recalculate the base year emissions only for relevant significant changes which meet the threshold of affecting 5% of base year emissions.

As Aramark emissions are reported for the first year under SECR, no previous years' data is shown, all changes

Aramark Defence Services Limited

Directors' Report

For the period from 2 October 2021 to 30 September 2022

will therefore be monitored in the coming financial period, to be compared with the current (base) year. This will allow for comparison and insight into how Aramark is performing and improving with regards to consumption and emissions

Operational Scopes

Scope 1, 2 and 3 associated with claiming employee mileage have been included within this report. Aramark owned or leased 3 sites during the reporting period that are included in SECR, where electricity and gas are the primary and only utilities used. Aramark owned company vehicles and had staff mileage claims. All activities are based within the UK.

- Scope 1 emissions consists only of natural gas usage from buildings and company car mileage.
- Scope 2 emissions consists only of electricity usage from buildings.
- Scope 3 emissions are from grey fleet mileage.

Table 1 shows the breakdown of consumption and carbon emissions for all UK, in kWh and tonnes of carbon dioxide equivalent (tCO₂e) respectively, by scope and specific area.

	kWh	tCO ₂ e	tCO ₂ e % of Total
Scope 1	2,667,551.3	622.5	71%
Natural Gas	97,342.2	17.8	2%
Diesel (L)	1,982,874.5	469.7	54%
Petroleum (L)	587,334.5	135.0	15%
Scope 2	645,018.4	137.0	16%
Electricity	644,928.4	136.9	16%
Cars - Battery Electric (kWh)	90.0	0.0	0%
Scope 3	457,615.5	112.6	13%
Grey Fleet Mileage	457,615.5	112.6	13%
Gross Emissions (Location Based)	3,770,185.12	872.0	100%
Less Renewable Electricity	0.0	0.0	0%
Total Annual Net Emissions	3,770,185.12	872.0	100%

We have also quantified our Scope 3 emissions in greater detail as part of our ongoing Net Zero commitment. This information is available on our website.

Intensity Ratios & Target

An intensity ratio of gross scope 1, 2 and 3 emissions as tCO₂e per £383M turnover has been measured. Location-based grid average emissions have been used to calculate intensity ratios. This will allow comparison and benchmarking with similar sites and organisations and drives energy reduction goals.

The chosen emissions reduction target is to reduce the intensity ratio by 5% from FY 2022 to FY 2023. The target is based upon the intensity ratio to improve performance, rather than allow for spurious improvements due to

Aramark Defence Services Limited

Directors' Report

For the period from 2 October 2021 to 30 September 2022

changes in operations. If the annual turnover theoretically remains the same across the current and upcoming reporting periods, predicted net emissions are 828.4 tCO₂e. Table 2 shows the intensity ratio and target for the business.

Table 2 - Overall carbon emissions with the intensity ratio, target, and predicted tCO₂e, for the period 1st October 2021 – 30th September 2022. Intensity ratios are presented as tCO₂e/£M turnover.

	Base Year (FY 2022)		Predicted FY 2023	
	tCO ₂ e	Intensity Ratio	Predicted tCO ₂ e	Intensity Ratio Target
Net Emissions	872.0	2.277	828.4	2.163

Carbon Reduction Initiatives

Aramark will be completing the ESOS Phase 3 programme with a submission to the Environment Agency by 05 December 2023.

Political contributions

The company made no political donations nor incurred any political expenditure during the period.

Disclosure of information to the auditor

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 auditor is unaware; and each director has taken all the steps that he/ she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Companies' Act 2006 UK corporate governance section 172 statement

The directors report here on how they have discharged their duties under Section 172 (1) of The Companies' Act 2006, to act in a way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to the matters set out in section 172 (1) (a) – (f). Examples of how the Board approaches its decision making, in light of its obligations under section 172, and ensuring wider stakeholder engagement, are set out below. The Company embraces and promotes the Company's culture and vision: to serve the needs of our stakeholders, wherever they are, and to earn the trust of society. The culture and vision foster a strong regard for the key stakeholders of the Company and provide a framework through which the Directors can make key decisions that are most likely to promote the success of the Company, fulfilling their duties under section 172.

172 (1)(a) the likely consequences of any decision in the long term

The Company's core strategic purpose is to promote the Company vision and objectives and in doing so deliver the commercial success of the business. The Board considers the long-term impact of corporate actions and decisions on this strategic purpose and on the interests of the members and the Company's key stakeholders, through careful consideration of appropriate information, as provided by subject matter experts, to support decisions.

172 (1)(b) the interests of the Company's employees

The Company is a responsible employer, focused on employee engagement and communication. It promotes a diverse and inclusive workforce and the continued development of its people in a safe working environment. The Company benefits from and promotes the company's employment and employee focussed initiatives

172 (1)(c) the need to foster the Company's business relationships with suppliers, customers and others

In pursuit of it's vision, the Company and Directors act with commitment to suppliers, customer and others. The directors act and make decisions determining what suppliers to engage with that exhibit the Company's value and fulfil its objectives. The company also seek to enhance customer satisfaction.

172 (1)(d) the impact of the Company's operations on the community and environment

Aramark Defence Services Limited

Directors' Report

For the period from 2 October 2021 to 30 September 2022

The Company is committed to leading the way in adopting and applying the highest standards of good governance, ethics and transparency in the industry. This includes employees volunteering with the community to do any required work from painting to gardening. The Company is committed to environmental sustainability.

172 (1)(e) the desirability of the Company maintaining a reputation for high standards of business conduct

The Company and the Directors are guided by the Company's vision and values when they act and make decisions, thereby maintaining a reputation for quality and integrity. This approach and the operational infrastructure of the business as a result ensure maintaining a reputation for high standard of business conduct is a key consideration by the Directors when making key decisions. Additionally, employees are subject to a Code of Conduct with a confidential helpline available to all employees where employees can ask a question or voice a concern

172 (1)(f) the need to act fairly as between members of the Company

For the year under review the company continued to ensure regular communication through various corporate reporting channels. This is achieved through formal and informal meetings, publications on the company's intranet and regular internal mailshots.

Other information


There were no significant events subsequent to the balance sheet date that would require adjustment to or disclosure in the financial statements.

The Company is in a net liability position at 30 September 2022 and have received confirmation from its ultimate parent undertaking that they will continue to support the Company for a period of 12 months from the date of approval of these financial statements if required. The Company's forecasts and projections demonstrate the Company will be profitable in the future, and therefore the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Appointment of auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte Ireland LLP will therefore continue in office.

Approved by the Board on 31/03/2023 and signed on its behalf by:

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Frank Gleeson

Director

Aramark Defence Services Limited
Statement of Directors' Responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

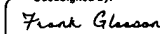
Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

On behalf of the Board:

DocuSigned by:

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F Gleeson

Director



Deloitte Ireland LLP
Chartered Accountants &
Statutory Audit Firm

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARAMARK DEFENCE SERVICES LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Aramark Defence Services Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 September 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account and other comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the statement of accounting policies set out in note 1; and
- the related notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARAMARK DEFENCE SERVICES LIMITED

Other information (continued)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, legal department and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act 2006, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included health and safety, corporate governance and environmental regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARAMARK DEFENCE SERVICES LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Heather Doolin (Senior statutory auditor)
For and on behalf of Deloitte Ireland LLP
Statutory Auditor
Dublin, Ireland

05 April 2023

Aramark Defence Services Limited
Profit and Loss Account and other Comprehensive Income
For the period from 02 October 2021 to 30 September 2022

		2 October 2021 to 30 September 2022	3 October 2020 to 1 October 2021
	Notes	£000	£000
Turnover	2	105,197	98,570
Cost of Sales		(25,325)	(24,568)
Gross Profit		79,872	74,002
Administrative Expenses	3	(76,063)	(71,202)
Other Operating Income	5	-	114
Profit		3,809	2,914
Tax charge on profit loss on ordinary activities	6	(716)	(482)
Profit for the financial year		3,093	2,432
Other Comprehensive income for the year		-	-
Total Comprehensive profit for the year		3,093	2,432

The notes on pages 16 to 23 form an integral part of these financial statements.

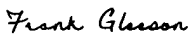
Aramark Defence Services Limited
(Registration number: 10633160)

Balance Sheet

At 30 September 2022

	Notes	30 September 2022 £'000	1 October 2021 £'000
Non-current assets			
Tangible assets	7	1,846	3,752
Deferred tax		888	1,603
		<u>2,734</u>	<u>5,355</u>
Current assets			
Stocks	8	2,124	1,787
Debtors	9	15,194	6,840
Cash at bank and in hand		734	1,291
Total current assets		<u>18,052</u>	<u>9,918</u>
 Creditors: Amounts falling due within one year	10	 (20,981)	 (18,561)
Net current liabilities		<u>(2,929)</u>	<u>(8,643)</u>
Net liabilities		<u>(195)</u>	<u>(3,288)</u>
Called up share capital	11	-	-
Profit and loss account		(195)	(3,288)
Shareholders' deficit		<u>(195)</u>	<u>(3,288)</u>

Approved by the Board on 31 March 2023 and signed on its behalf by:

DocuSigned by:

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Frank Gleeson
 Director

Aramark Defence Services Limited
Statement of changes in equity
For the period from 2 October 2021 to 30 September 2022

	Called Up Share capital £'000	Profit and Loss account £'000	Total Equity £'000
<i>Balance at 2 October 2020</i>	-	(5,720)	(5,720)
Total comprehensive income for the period	-	2,432	2,432
Balance at 1 October 2021	-	(3,288)	(3,288)
Total comprehensive income for the period	-	3,093	3,093
Balance at 30 September 2022	-	(195)	(195)

Aramark Defence Services Limited
Notes to the Financial Statements
For the period from 2 October 2021 to 30 September 2022

1 Accounting Policies

Aramark Defence Services Limited (the “Company”) is a private company limited by shares and incorporated, tax resident and registered in the UK. The registered number is 10633160 and the registered address is, 100 Avebury Boulevard, Milton Keynes, Buckinghamshire, MK9 1FH.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (“FRS 102”). The presentation currency of these financial statements is Sterling.

The Company’s ultimate parent undertaking, Aramark Inc. includes the Company in its consolidated financial statements. The consolidated financial statements of Aramark Inc. are prepared in accordance with US GAAP and are available to the public and may be obtained from head office, Aramark Tower, 1101 Market Street, Philadelphia, PA 19107, USA.

In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of ultimate parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosure:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements. Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next for the period are discussed in note 13.

Government grants

Other income comprised government grants and assistance by way of various forms of subsidised wage schemes, to provide relief for entities during the COVID-19 pandemic. Government grants are recognised in the Profit and Loss on a systematic basis over the period in which the entity has recognised the related costs for which the grants are intended to compensate.

Going concern

The Company is in a net liability position at 30 September 2022. The directors have received confirmation from the Company’s parent undertaking that they will continue to support the Company for a period of at least 12 months from the date of approval of these financial statements. The Company’s forecasts and projections demonstrate the Company will be profitable in the future, and therefore the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Aramark Defence Services Limited
Notes to the Financial Statements
For the period from 2 October 2021 to 30 September 2022

1 Accounting Policies (continued)

Measurement convention

The financial statements are prepared on the historical cost basis.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and providing of services to customers. Revenue is recognised in the period the service has been provided or the goods have passed to the customer. Rebates and discounts given to customers are netted from revenue.

Foreign currency

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.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the branch in the management of its short-term commitments.

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 the selling price less anticipated costs to completion and selling costs.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Aramark Defence Services Limited**Notes to the Financial Statements****For the period from 2 October 2021 to 30 September 2022****Basic financial instruments***Trade and other debtors*

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transactions costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Tangible fixed assets and depreciation

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
Plant and equipment	Straight line, 2-10 for the periods
Leasehold improvements	Straight line, 7 for the periods

2 Turnover

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

	02 October 2021 to 30 September 2022	03 October 2020 to 1 October 2021
	£000	£000
United Kingdom	<u>105,197</u>	<u>98,570</u>

3 Administrative expenses

	02 October 2021 to 30 September 2022	03 October 2020 to 1 October 2021
	£000	£000
Payroll costs	54,929	56,800
Auditor remuneration	75	75
Depreciation of owned tangible fixed assets	2,308	2,512
Other costs	18,751	12,421
	<u>76,063</u>	<u>71,809</u>

Aramark Defence Services Limited
Notes to the Financial Statements
For the period from 2 October 2021 to 30 September 2022

4 Particulars of employees

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

	02 October 2021 to 30 September 2022 No.	03 October 2020 to 1 October 2021 No.
Administration and support	3,155	3,582

The directors did not receive any remuneration from the company in the period (2020: Nil).

The aggregate payroll costs were as follows:

	2022 £000	2021 £000
Wages and salaries	49,131	51,760
Social security costs	3,547	3,119
Staff pension costs	1,750	1,794
Redundancy costs	501	127
	54,929	56,800

5 Other operating income

	2022 £000	2021 £000
Government Subsidy	-	114

During 2021, the Company utilised payroll support schemes such as the Coronavirus Job Retention Scheme. The total amount of payroll supports received amounted to 2022: nil (2021: £114k). These amounts are shown as other income in the Statement of Profit and Loss Account.

Aramark Defence Services Limited
Notes to the Financial Statements
For the period from 2 October 2021 to 30 September 2022

6 Taxation

	02 October 2021 to 30 September 2022	03 October 2020 to 1 October 2021
	£000	£000
Current tax		
Current tax on income for the year	-	-
UK Corporation tax	-	-
Deferred tax		
Origination and reversal of timing differences	787	1,264
Adjustments in respect of prior periods	(71)	(453)
Rate change adjustment	-	(329)
Total deferred tax	716	482
Total tax charge	716	482

Reconciliation of effective tax rate

Tax on profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 19% (2021:19%). The differences are reconciled below:

	2 October 2021 to 30 September 2022	3 October 2020 to 1 October 2021
	£000	£000
Profit for period	3,809	2,914
Tax using the UK corporation tax rate of 19%% (2019: 19%)	724	554
Non-deductible expenses	63	138
Transfer pricing adjustment	-	(533)
Rate change adjustment	-	(329)
Deferred tax not recognised	-	1,105
Prior period adjustments	(71)	(453)
Total tax charge	716	482

Aramark Defence Services Limited
Notes to the Financial Statements
For the period from 2 October 2021 to 30 September 2022

6 Taxation (continued)**Deferred Taxation**

	Assets	
	2022	2021
	£000	£000
Accelerated capital allowances	302	81
Trade losses	586	1,522
	888	1,603
At beginning of year		1,603
Adjustment to tax charge in respect of prior periods		72
Charge for the period recognised in profit and loss account		(787)
At end of year		888

7 Fixed Assets**Tangible Fixed Assets**

	£000
Cost at 1 October 2021	13,104
Additions during the period	450
Disposals during the period	(612)
Balance at 30 September 2022	12,942
Depreciation at 1 October 2021	9,352
Charge for the period	2,308
Disposals during the period	(564)
Balance at 30 September 2022	11,096
Net book value	
At 1 October 2021	3,752
At 30 September 2022	1,846

Aramark Defence Services Limited
Notes to the Financial Statements
For the period from 2 October 2021 to 30 September 2022

8 Stocks

	At 30 September 2022	At 1 October 2021
	£000	£000
Goods for resale	<u>2,124</u>	<u>1,787</u>

9 Debtors

	At 30 September 2022	At 1 October 2021
	£000	£000
Trade debtors	5,631	4,230
Amounts owed from Group undertakings*	9,455	2,500
Prepayments	<u>108</u>	<u>110</u>
	<u>15,194</u>	<u>6,840</u>

*All amounts owed from group undertakings are repayable on demand and are classified as current debt and do not incur interest.

10 Creditors: amounts falling due within one year

	At 30 September 2022	At 1 October 2021
	£000	£000
Trade creditors	5,369	2,753
Amounts owed to group undertakings*	1,018	166
Taxes and social security	3,328	3,669
Other creditors	5,527	5,483
Deferred Income	1,223	2,149
Accruals	4,516	4,341
	<u>20,981</u>	<u>18,561</u>

*All amounts owed to group undertakings are repayable on demand and are classified as current debt and do not incur interest.

11 Share capital

Aramark Defence Services Limited
Notes to the Financial Statements
For the period from 2 October 2021 to 30 September 2022

Allotted, called up and fully paid shares

	2022 and 2021	
	No.	£
100 ordinary shares of £1 each	100	100

12 Ultimate parent company

Aramark Limited is the immediate parent company and is incorporated in the UK.

The largest and smallest group of which Aramark Defence Services Limited is a member and for which group financial statements are drawn up is that headed by Aramark Inc, incorporated in the state of Delaware, USA. The consolidated financial statements of Aramark are available to the public at its head office, Aramark, 2400 Market Street, Philadelphia, PA 19103, USA. The ultimate controlling party is Aramark Inc.

13 Accounting estimates and judgements

There were no material estimates or judgements made in the preparation of the financial statements.

14 Related parties

The company is availing of the exemption available under "Section 33 Related Party Disclosures" of FRS 102 from disclosing transactions entered into between wholly owned undertakings of the group headed by Aramark Inc.

Details of the directors of the company are given on page 3 and 5.

15 Post Balance sheet events

There were no significant events subsequent to the balance sheet date that would require adjustment to or disclosure in the financial statements.

16 Approval of financial statements

The board of directors approved the financial statements on 31 March 2023.