

Registered number: 02987170

SODEXO HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019



SODEXO HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Stuart Anthony Carter Angelo Piccirillo (appointed 1 September 2018) Sean Michael Haley Jean Mary Renton (appointed 1 November 2019)
Company secretary	Gareth Luke Sefton John
Registered number	02987170
Registered office	One Southampton Row London WC1B 5HA

SODEXO HOLDINGS LIMITED

CONTENTS

	Page
Strategic Report	1
Directors' Report	2
Directors' Responsibilities Statement	3
Independent Auditor's Report to the Members of Sodexo Holdings Limited	4 - 6
Statement of Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 - 21

SODEXO HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The directors present their strategic report, directors' report and audited financial statements for the year ended 31 August 2019.

Principal activities and business review

The Company is a wholly owned subsidiary of Sodexo SA and operates as part of the group's UK & Ireland business. Its ultimate parent is Sodexo SA, a French company listed on the Paris Euronext. Sodexo operates in 67 countries, employing around 470,000 people in the provision of a wide range of food services, soft services and technical services.

The principal activity of the Company continues to be that of a holding company.

As shown in the company's Statement of Comprehensive Income on page 7, the Company's profit for the year has increased by £50,819,000. This is on account of dividends received in the year from the Company's subsidiary undertakings.

The Balance Sheet on page 8 of the financial statements shows that the company's financial position at the year-end, in net asset terms, has decreased by £161,458,000. This is due to a capital reduction resulting in £134,000,000 of redeemable preference shares being cancelled and repaid to Sodexo SA as well as net dividend outgoings (dividends paid less dividends received) of £22,700,000.

During the year, the company also acquired GCG Holdings Limited, the parent company for The Good Care Group, for an initial consideration of £47,726,000.

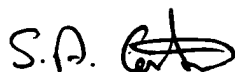
Principal risks and uncertainties

The Company is an intermediate holding company within the group of companies headed by Sodexo SA. The company holds investments in UK trading subsidiaries of Sodexo SA.

Accordingly, the principal risk to the Company is the risk of impairment of the carrying value of its investments. The directors continue to monitor the trading performance of the company's subsidiaries and other potential indicators of impairment.

The Company is also subject to liquidity risk. The directors regularly monitor working capital requirements to ensure sufficient funds are available to support the company's activities. The risk is managed primarily through the use of intercompany loans with other members of the Sodexo SA group of companies.

This report was approved by the board on 27 August 2020 and signed on its behalf.



Stuart Anthony Carter
Director

SODEXO HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2019

The directors present their report and the financial statements for the year ended 31 August 2019.

Results and dividends

The profit for the year, after taxation, amounted to £98,925,000 (2018: £48,106,000).

Dividends declared and paid during the year totalled £126,383,000 (2018: £32,042,830) in respect of the year ended 31 August 2019.

Directors

The directors who served during the year were:

Laurent Arnaudo (resigned 1 November 2019)
Stuart Anthony Carter
Angelo Piccirillo (appointed 1 September 2018)
Sean Michael Haley

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.


Post balance sheet events

Subsequent to the balance sheet date, the United Kingdom has been affected by the global Coronavirus pandemic. While Sodexo is accessing the Coronavirus Job Retention Scheme offered by the UK government, Coronavirus is expected to have a material impact on the profit and cash flow for Sodexo in the UK and Ireland for the rest of the financial year 2020, albeit temporary. Sodexo Holdings Limited is not a trading entity and therefore Coronavirus is not expected to have a material impact on the operations of the Company.

Auditor

The auditor, KPMG LLP, Statutory Auditor, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

S.A. 

Stuart Anthony Carter
Director

Date: 27 August 2020

One Southampton Row
London
WC1B 5HA

SODEXO HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2019

The directors are responsible for preparing the Strategic Report, 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), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters relating 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control 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.

SODEXO HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SODEXO HOLDINGS LIMITED

We have audited the financial statements of Sodexo Holdings Limited ("the company") for the year ended 31 August 2019 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006;

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Strategic and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the requirements of the Companies Act 2006.

SODEXO HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SODEXO HOLDINGS LIMITED

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

SODEXO HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SODEXO HOLDINGS LIMITED

The purpose of our audit work and to whom we owe our responsibilities

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.



Andrew Reddington (Senior statutory auditor)

for and on behalf of

KPMG LLP, Statutory Auditor

Chartered Accountants

1 St Peter's Square
Manchester
M2 3AE
Date: 27th August 2020

SODEXO HOLDINGS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	2019 £000	2018 £000
Operating expenses		(2,046)	(1,230)
Operating loss	4	<u>(2,046)</u>	<u>(1,230)</u>
Income from fixed assets investments	7	103,684	51,985
Interest receivable and similar income	8	2,538	560
Interest payable and similar expenses	9	(6,144)	(4,129)
Profit before tax		<u>98,032</u>	<u>47,186</u>
Tax on profit	10	893	920
Profit for the financial year		<u><u>98,925</u></u>	<u><u>48,106</u></u>

There was no other comprehensive income for 2019 (2018:£NIL).


The notes on pages 10 to 21 form part of these financial statements.

SODEXO HOLDINGS LIMITED
REGISTERED NUMBER: 02987170

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £000	2018 £000
Fixed assets			
Investments	12	965,792	918,066
		<u>965,792</u>	<u>918,066</u>
Current assets			
Debtors	13	304,032	5,559
		<u>304,032</u>	<u>5,559</u>
Creditors: amounts falling due within one year	14	(632,209)	(375,846)
Net current liabilities		<u>(328,177)</u>	<u>(370,287)</u>
Total assets less current liabilities		<u>637,615</u>	<u>547,779</u>
Creditors: amounts falling due after more than one year	15	(251,294)	-
		<u>386,321</u>	<u>547,779</u>
Net assets		<u><u>386,321</u></u>	<u><u>547,779</u></u>
Capital and reserves			
Called up share capital	16	379,646	513,646
Other reserves		8,594	8,594
Profit and loss account		(1,919)	25,539
		<u><u>386,321</u></u>	<u><u>547,779</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 August 2020

S.A. 

Stuart Anthony Carter
Director

The notes on pages 10 to 21 form part of these financial statements.

SODEXO HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2019**

	Called up share capital	Capital contribution reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 September 2017	513,646	8,594	9,476	531,716
Comprehensive income for the year				
Profit for the year	-	-	48,106	48,106
Total comprehensive income for the year	-	-	48,106	48,106
Dividends: Equity capital	-	-	(32,043)	(32,043)
Total transactions with owners	-	-	(32,043)	(32,043)
At 1 September 2018	513,646	8,594	25,539	547,779
Comprehensive income for the year				
Profit for the year	-	-	98,925	98,925
Total comprehensive income for the year	-	-	98,925	98,925
Dividends	-	-	(126,383)	(126,383)
Shares cancelled during the year	(134,000)	-	-	(134,000)
Total transactions with owners	(134,000)	-	(126,383)	(260,383)
At 31 August 2019	379,646	8,594	(1,919)	386,321

The notes on pages 10 to 21 form part of these financial statements.

SODEXO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

1. General information

Sodexo Holdings Limited (the "Company"), a private company limited by shares, is incorporated and domiciled in the UK. The company's registered number is 02987170 and its registered office is One Southampton Row, London, WC1B 5HA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The presentational currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

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

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

2.3 Impact of new international reporting standards, amendments and interpretations

IFRS 9

There have been no material impacts on the Company's financial statements as a result of adopting IFRS 9 from 01 September 2018.

IFRS 15

From 01 September 2018, the Company has applied IFRS 15 using the cumulative effect method.

There have been no material impacts on the Company's financial statements as a result of adopting IFRS 15 from 01 September 2018.

SODEXO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.4 Going concern

The directors continue to adopt the going concern basis in the preparation of the financial statements. The company is part of the Sodexo group. The Sodexo UK business has remained resilient during the coronavirus outbreak due to the high proportion of trade in both government and non-food contracts. Trade in food services has reduced for our education, sport and leisure and corporate clients. From review of market insight and knowledge of our business, the directors believe that the business is well placed to generate future profitable trade and cash. We expect the market and Sodexo trade to ramp up again during FY21, albeit at different paces for different client groups. In addition, the company continues to see opportunities for organic growth, with some new contracts realised post the balance sheet date.

However, the business is expected to continue to be adversely impacted in FY21. To inform the basis of preparation of these accounts, the directors have considered cash and profit scenarios for forward trade over the next 13 months, based on the facts we have now. These range from a phased stand up, to a significant lock down period of 6 months plus with trade impacted in a similar way to FY20. The forecasts indicate that the company will continue to be resilient to the situation. Routine peaks in cash requirements during the trading cycle, will be funded from the overdraft facility established with the parent company Sodexo SA if necessary. If necessary, which would expect to be for a worst-case scenario, the company could draw upon funding that has been indicated by a letter of support received from Sodexo SA. Sodexo SA is the French domiciled parent company, which currently has a strong credit rating of A- from Standard and Poor. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on these analyses and facts, the directors believe that the Company will be able to continue to meet its liabilities as they fall due for at least the next 12 months and therefore have prepared the financial statements on a going concern basis.

2.5 Interest receivable and similar income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.6 Interest payable and similar expenses

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

SODEXO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

2. Accounting policies (continued)

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the company's accounting policies the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not believe that there are any accounting policies that would be likely to produce materially different results should there be a change to the underlying judgements, estimates and assumptions.

SODEXO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

4. Operating loss

The operating loss is stated after charging:

	2019 £000	2018 £000
Other charges	2,046	1,200

Other charges represent central costs associated with the Sodexo UK Group activities which are not recharged to subsidiary undertakings.

5. Auditor's remuneration

	2019 £000	2018 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>30</u>	<u>30</u>

6. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL).

7. Income from fixed asset investments

	2019 £000	2018 £000
Dividends received from unlisted investments	(103,684)	(51,985)
	<u>(103,684)</u>	<u>(51,985)</u>

SODEXO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

8. Interest receivable

	2019	2018
	£000	£000
Interest receivable from group undertakings	2,469	520
Foreign exchange gains	69	40
	<u>2,538</u>	<u>560</u>

9. Interest payable and similar expenses

	2019	2018
	£000	£000
Interest payable to group undertakings	6,144	4,129
	<u>6,144</u>	<u>4,129</u>

SODEXO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10. Taxation

	2019	2018
	£000	£000
Corporation tax		
Current tax on profits for the year	(893)	(920)
	(893)	(920)
Total current tax	(893)	(920)
Deferred tax		
Total deferred tax	-	-
Taxation on loss on ordinary activities	(893)	(920)

SODEXO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

10. Taxation (continued)

Factors affecting tax charge for the year

A reduction in the UK corporation tax rate from 19% to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax asset/(liability) as at 31 August 2019 has been calculated based on this rate.

The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. This will increase the company's future current tax charge accordingly and increase any deferred tax asset or liability.

The tax credit for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £000	2018 £000
Profit on ordinary activities before tax	<u>98,032</u>	<u>47,186</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	18,626	8,965
Effects of:		
Dividends from UK companies	(19,700)	(9,877)
Other differences leading to an increase (decrease) in the tax charge	181	(8)
Total tax charge for the year	<u>(893)</u>	<u>(920)</u>

11. Dividends

	2019 £000	2018 £000
Dividends paid on ordinary and preference shares	126,383	32,043
	<u>126,383</u>	<u>32,043</u>

SODEXO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

12. Fixed asset investments

	Investments in subsidiary companies £000	Loans to subsidiaries £000	Total £000
Cost or valuation			
At 1 September 2018	925,789	2,878	928,667
Additions	47,726	-	47,726
At 31 August 2019	<u>973,515</u>	<u>2,878</u>	<u>976,393</u>
Impairment			
At 1 September 2018	10,601	-	10,601
At 31 August 2019	<u>10,601</u>	<u>-</u>	<u>10,601</u>
Net book value			
At 31 August 2019	<u>962,914</u>	<u>2,878</u>	<u>965,792</u>
At 31 August 2018	<u>915,188</u>	<u>2,878</u>	<u>918,066</u>

On 4th April 2019, Sodexo Holdings Limited purchased 100% of the issued share capital of GCG Holdings Limited. Initial consideration for the transaction was £47,726,000.

SODEXO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

12. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Sodexo Limited	One Southampton Row, London, WC1B 5HA	Ordinary	100 %
Sodexo Services Group Limited	One Southampton Row, London, WC1B 5HA	Ordinary	100 %
Tillery Valley Foods Limited	One Southampton Row, London, WC1B 5HA	Ordinary	100 %
Sodexo Management Services Limited	One Southampton Row, London, WC1B 5HA	Ordinary	100 %
Sodexo Remote Sites Support Services Limited	5th Floor, Exchange Tower No.2, 62 Market Street, Aberdeen, AB11 5PJ	Ordinary	100 %
		Cumulative Preference	6 %
Sodexo Corporate Services (No 1) Limited	One Southampton Row, London, WC1B 5HA	Ordinary	100 %
Sodexo Corporate Services (No 2) Limited	One Southampton Row, London, WC1B 5HA	Ordinary	100 %
The Brand Group Limited	One Southampton Row, London, WC1B 5HA	Ordinary	100 %
Sodexo Stop Hunger Foundation	One Southampton Row, London, WC1B 5HA		- %
Prestige Nursing Limited	Kirkgate, 19-31 Church Street, Epsom, England, KT17 4PF	Ordinary	100 %
GCG Holdings Limited	120 Leman Street, London, England, E1 8EU	Ordinary	100 %

SODEXO HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

13. Debtors

	2019 £000	2018 £000
Due after more than one year		
Investment in Agecroft Prison Management sub-debt	2,451	2,456
	<u>2,451</u>	<u>2,456</u>
Due within one year		
Amounts owed by group undertakings	301,581	3,103
	<u>304,032</u>	<u>5,559</u>

14. Creditors: Amounts falling due within one year

	2019 £000	2018 £000
Amounts owed to group undertakings	632,209	375,846
	<u>632,209</u>	<u>375,846</u>

Included in amounts owed to group undertakings is an amount of £12,606,000 (2018: £12,259,000) repayable on demand at a rate of 5.16% and an amount of £619,343,000 (2018: £379,373,000) repayable on demand at a base rate of +0.5%.

15. Creditors: Amounts falling due after more than one year

	2019 £000	2018 £000
Amounts owed to group undertakings	251,294	-
	<u>251,294</u>	<u>-</u>

Included in amounts due to group undertakings is an amount of £251,294,000 (2018: £Nil) repayable in June 2027 at a rate of 2.82%.

SODEXO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

16. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
312,799,971 (2018 - 312,799,971) Ordinary shares of £1.00 each	312,799,971	312,799,971
66,846,500 (2018 - 200,846,500) Redeemable preference shares of £1.00 each	66,846,500	200,846,500
	<u>379,646,471</u>	<u>513,646,471</u>

The company cancelled and extinguished 134,000,000 of its redeemable preference shares of £1 each on 19 June 2019 as part of its capital reduction. The amount was repaid to the holders of the shares.

17. Contingent liabilities

The company has given counter-indemnities relating to guarantees amounting to £10,675,000 (2018: £10,675,000).

18. Related party transactions

The group has taken exemption contained in paragraph 8 (k) of FRS101 from disclosure of intra-group transactions and balances as these are eliminated on consolidation in the financial statements of the ultimate parent undertaking.

During the year, the Company carried out transactions with related parties in the standard course of business. The names of the related party, nature of transaction and total value is shown below:

	2019 £000	2018 £000
Transaction with Agecroft Prison Management Limited:		
Interest receivable for the year	288	438
Principal repayment	-	153
Loans receivable	2,451	2,456
	<u>2,739</u>	<u>3,047</u>
Transaction with All Black Tours:		
Interest receivable for the year	90	45
Loans receivable	1,252	1,093
	<u>1,342</u>	<u>1,138</u>

SODEXO HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2019

19. Ultimate parent company and ultimate controlling party

The Company's ultimate and immediate 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.