

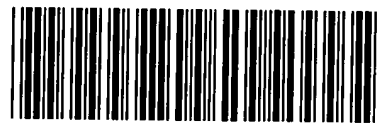
Registration number: 10633160

Aramark Defence Services Limited

Directors' Report and Financial Statements

for the period from 3 October 2020 to 1 October 2021

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Aramark Defence Services Limited

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Aramark Defence Services Limited
Directors and Other Information

Directors F Gleeson
 R Chawla
 H Milligan-Smith (appointed on 15th January 2021)

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 03 October 2020 to 1 October 2021

The directors present their annual strategic report and the financial statements for the period from 03 October 2020 to 1 October 2021.

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. The business has been significantly impacted by COVID-19 resulting in the closure of several client sites and a reduction in activity levels in many of those sites that have remained open. The business maintained a strong focus on cash generation during the fiscal, achieved mainly through contract renegotiations to reflect the difficult trading environment, continued discipline in terms of costs and by availing of various government support schemes. The Directors acknowledge recent developments in relation vaccines are encouraging however they will continue to take proactive actions to control the controllable and ensure the business can thrive despite the ongoing pandemic. The Directors remain excited about the growth opportunities in the market and believe that Aramark is well positioned to take advantage of these opportunities.

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 1 October 2021 increased by 0.05% versus prior year and profit for the period was £2.4m (2020: £0.2m).

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 1 October 2021

As at 1 October 2021, the company had net liabilities of £3.3m (2020: £5.720m) and net current liabilities of £8.6m (2020: £14m).

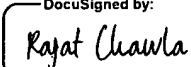
Principal risks and uncertainties

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.

Signed on behalf of the Board on 19th May 2022 and signed on its behalf by:

DocuSigned by:

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R Chawla
Director

Aramark Defence Services Limited

Directors' Report

For the period from 03 October 2020 to 1 October 2021

The directors present their directors report and the financial statements of the company for the period from 03 October 2020 to 1 October 2021.

Results and dividends

The post-tax profit for the period was £2.4m (2020: £0.2m). The directors do not recommend the payment of a dividend (2020: Nil).

Balance sheet

The Balance Sheet shows a shareholders' deficit of £3.3m (2020: £5.720m) for the company as at 1 October 2021. 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 (appointed on 15th January 2021)

L Shirazian (resigned on 15th January 2021)

R Chawla

S Miah (Company secretary)

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.

Emissions

The Company are committed to leading the way in the sector with regards to minimising emissions and achieving net zero targets as soon as possible. Currently data on emissions and energy use are not available using the Company's existing systems however a project is underway to gather all the data required and use this information to minimise energy consumption and eliminate emission of carbon as a result of business activities. It is envisaged that reporting of this information will commence in next years financial statements.

Political contributions

The company made no political donations or 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

Aramark Defence Services Limited

Directors' Report

For the period from 03 October 2020 to 1 October 2021

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 its 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

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

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial period have been included in the Strategic Report on page 4. Please refer to future developments section of the Strategic report for details of how the COVID-19 pandemic affects the incoming fiscal year.

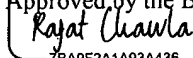
Going concern

The Company is in a net liability position at 1 October 2021 and have received confirmation from its 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

Following a comprehensive tender process in 2021, Deloitte Ireland LLP has been selected as the Company's auditor with effect from financial year commencing 03 October 2020. An ordinary resolution confirming the appointment of Deloitte Ireland LLP as the Group auditor has been passed at the 2021 Aramark General Meeting.

DocuSigned by:
Approved by the Board on 19th May 2022 and signed on its behalf by:



R Chawla

Aramark Defence Services Limited

Directors' Report

For the period from 03 October 2020 to 1 October 2021

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:


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R Chawla

Director

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 1 October 2021 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 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

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Financial Statements, other than the financial statements and our auditor's report thereon. 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.

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Independent auditor's report to the members of Aramark Defence Services Limited

Other information (Continued)

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

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.

As part of an audit in accordance with ISAs (UK), the auditor exercises professional judgment and maintains professional scepticism throughout the audit. The auditor also:

- Identifies and assesses the risks of material misstatement of the entity's (or where relevant, the consolidated) financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's (or where relevant, the group's) internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Concludes on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's (or where relevant, the group's) ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.

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Independent auditor's report to the members of Aramark Defence Services Limited

Auditor's responsibilities for the audit of the financial statements (Continued)

- Evaluates the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit

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
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date: 19 May 2022

Aramark Defence Services Limited
Profit and Loss Account and other Comprehensive Income
For the period from 03 October 2020 to 1 October 2021

		3 October 2020 to 1 October 2021	28 September 2019 to 2 October 2020
	Notes	£'000	£'000
Turnover	2	98,570	98,109
Cost of Sales		(24,568)	(25,227)
Gross Profit		74,002	72,882
Administrative Expenses	3	(71,202)	(73,834)
Other Operating Income	5	114	385
Profit/(loss)		2,914	(567)
Tax (charge)/credit on profit/(loss) on ordinary activities	6	(482)	791
Profit for the financial year		2,432	224
Other Comprehensive income for the year		-	-
Total Comprehensive profit for the year		2,432	224

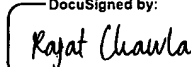
The notes on pages 15 to 21 form an integral part of these financial statements.

Aramark Defence Services Limited
(Registration number: 10633160)

Balance Sheet
at 1 October 2021

	Notes	1 October 2021 £'000	2 October 2020 £'000
Non-current assets			
Tangible assets	7	3,752	6,186
Deferred tax		1,603	2,086
		<u>5,355</u>	<u>8,272</u>
Current assets			
Stocks	8	1,787	2,061
Debtors	9	6,840	6,572
Cash at bank and in hand		1,291	8,791
Total current assets		<u>9,918</u>	<u>17,424</u>
Creditors: Amounts falling due within one year	10	(18,561)	(31,416)
Net current liabilities		<u>(8,643)</u>	<u>(13,992)</u>
Net liabilities		<u>(3,288)</u>	<u>(5,720)</u>
Called up share capital	11	-	-
Profit and loss account		(3,288)	(5,720)
Shareholders' deficit		<u>(3,288)</u>	<u>(5,720)</u>

Approved by the Board on 19th May 2022 and signed on its behalf by:

DocuSigned by:

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R Chawla
 Director

Aramark Defence Services Limited
Statement of changes in equity
For the period from 03 October 2020 to 1 October 2021

	Called Up Share capital £'000	Profit and Loss account £'000	Total Equity £'000
Balance at 27 September 2019	-	(5,944)	(5,944)
Total comprehensive income for the period			
Profit for the period	-	224	224
Balance at 2 October 2020	-	(5,720)	(5,720)
Total comprehensive income for the period			
Profit for the period	-	2,432	2,432
Balance at 1 October 2021	-	(3,288)	(3,288)

Aramark Defence Services Limited
Notes to the Financial Statements
For the period from 03 October 2020 to 1 October 2021

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 comprises 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 1 October 2021. 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 03 October 2020 to 1 October 2021

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 03 October 2020 to 1 October 2021****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:

	03 October 2020 to 1 October 2021	28 September 2019 to 2 October 2020
	£000	£000
United Kingdom	<u>98,570</u>	<u>98,109</u>

3 Administrative expenses

	03 October 2020 to 1 October 2021	28 September 2019 to 2 October 2020
	£000	£000
Payroll costs	56,800	58,397
Auditor remuneration	75	54
Depreciation of owned tangible fixed assets	2,512	2,636
Other costs	<u>12,421</u>	<u>12,744</u>
	<u>71,809</u>	<u>73,831</u>

Aramark Defence Services Limited
Notes to the Financial Statements
For the period from 03 October 2020 to 1 October 2021

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:

	3 October 2020 to 1 October 2021	28 September 2019 to 2 October 2020
	No.	No.
Administration and support	3,582	3,733

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

The aggregate payroll costs were as follows:

	2021	2020
	£000	£000
Wages and salaries	51,760	52,423
Social security costs	3,119	3,258
Staff pension costs	1,794	1,746
Redundancy costs	127	970
	<u>56,800</u>	<u>58,397</u>

5 Other operating income

	2021	2020
	£000	£000
Government Subsidy	114	385

During the year, the Company utilised payroll support schemes such as the Coronavirus Job Retention Scheme and the total amount of payroll supports received amounted to approximately 2021: £114k (2020:£385k). These amounts are shown as other income in the Statement of Profit and Loss Account.

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6 Taxation	03 October 2020 to 1 October 2021	28 September 2019 to 2 October 2020
	£000	£000
Current tax		
Current tax on income for the year	-	-
UK Corporation tax	-	-
Deferred tax		
Origination and reversal of timing differences	1,264	(68)
Adjustments in respect of prior periods	(453)	(511)
Rate change adjustment (a)	(329)	(212)
Total deferred tax	482	(791)
Total tax charge/(credit)	482	(791)

- (a) The standard rate of tax applied to reported profit is 24.4 per cent (2021:19 per cent). This is due to the analysis undertaken to determine the estimated utilisation of losses forward before 1 April 2023 at 19%. As such the related deferred tax asset is at a blended rate of 24.4% as the majority is expected to unwind post 1 April 2023 at 25%.

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% (2019:19%). The differences are reconciled below:

	3 October 2020 to 1 October 2021	28 September 2019 to 2 October 2020
	£000	£000
Profit for period	2,914	(567)
Tax using the UK corporation tax rate of 19%% (2019: 19%)	554	(108)
Non-deductible expenses	138	40
Transfer pricing adjustment	(533)	-
Rate change adjustment	(329)	(212)
Deferred tax not recognised	1,105	-
Prior period adjustments	(453)	(511)

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Total tax charge/(credit)	482	(791)
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7 Fixed Assets
Tangible Fixed Assets

	Plant and Equipment
	£000
Cost at 02 October 2020	13,052
Additions during the period	112
Disposals during the period	(60)
Balance at 1 October 2021	13,104
Depreciation at 02 October 2020	6,866
Charge for the period	2,523
Disposals during the period	(37)
Balance at 1 October 2021	9,352
Net book value	
At 02 October 2020	6,186
At 1 October 2021	3,752

8 Stocks

	At 1 October 2021	At 2 October 2020
	£000	£000
Goods for resale	1,787	2,061

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9 Debtors

	At 1 October 2021	At 2 October 2020
	£000	£000
Trade debtors	4,230	1,255
Amounts Owed from Group undertakings	2,500	-
Prepayments	110	-
Deferred income	-	5,317
	<u>6,840</u>	<u>6,572</u>

10 Creditors: amounts falling due within one year

	At October 2021	At October 2020
	£000	£000
Trade creditors	2,753	2,667
Other amounts owed to group undertakings	166	13,848
Taxes and social security	3,669	4,227
Other creditors	5,483	2,260
Deferred Income	2,149	2,026
Accruals	4,341	6,388
	<u>18,561</u>	<u>31,416</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

Allotted, called up and fully paid shares

	2020 and 2019	
	No.	£
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

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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 19th May 2022.