

# **Compass Services Group Limited**

Annual report and financial statements for the year ended 30 September 2023

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**Company information**

**Directors**

Robin Mills  
Jodi Lea  
Gareth Sharpe

**Registered office**

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

**Auditor**

KPMG LLP  
Chartered Accountants  
One Snow Hill  
Snow Hill Queensway  
Birmingham  
B4 6GH

## Strategic report for the year ended 30 September 2023

The directors, in preparing this Strategic Report, have complied with section 414C of the Companies Act 2006 (CA 2006).

### Business review and principal activities

Compass Servies Group Limited (the Company) is a wholly-owned subsidiary of Hospitality Holdings Limited. The Company acts as a holding and group financing company and the directors do not anticipate any changes in activities for the foreseeable future.

The results for the Company show a post-tax profit for the year of £630,000 (2022: £226,000) and net assets at 30 September 2023 of £25,379,000 (2022: £24,749,000). The Company received no dividends during the year (2022: £Nil).

The Company's directors believe that analysis using key performance indicators is not necessary for an understanding of the position of the Company. The performance of Compass Group PLC (the Group) is discussed in its Annual Report which does not form part of this Report. A copy of the Compass Group PLC Annual Report 2023 can be found on the Compass Group PLC website at [www.compass-group.com](http://www.compass-group.com) or from the Company Secretarial Department at Compass House, Guildford Street, Chertsey, Surrey KT16 9BQ.

### Principal risks and uncertainties

Compass Servies Group Limited has intra-group investments and balances, no third-party debt and hence no external interest rate exposure.

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. The principal risks of the Group are discussed in the Compass Group PLC's Annual Report 2023 which does not form part of this Report. This document can be viewed on the Compass Group PLC website [www.compass-group.com](http://www.compass-group.com).

### Section 172(1) statement

Compass Servies Group Limited (the Company)

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this section 172 requires a director to have regard, amongst other matters, to the:

- likely consequences of any decisions in the long-term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct, and
- need to act fairly as between members of the company.

In discharging their duties under section 172 the directors have regards to both the factors set out above and others that may be considered relevant to the decisions being made. The directors acknowledge that every decision made will not necessarily result in a positive outcome for all of the Company's stakeholders. By considering the Company's purpose, vision and values together with its strategic priorities and having a process in place for decision-making, the directors aim to ensure that Board decisions are consistent and predictable.

**Strategic report for the year ended 30 September 2023 (continued)**

**Section 172(1) statement (continued)**

As is normal for large companies, the directors delegate authority for day-to-day management of the Company to executives engaged in setting, approving and overseeing the execution of the business strategy and related policies of the Group. While there are cases where the board itself judges that it should engage directly with certain stakeholder groups or on certain issues, the size and spread of both our stakeholders and the Group means that generally stakeholder engagement best takes place at an operational or Group level. The directors consider that as well as being a more efficient and effective approach, this also helps achieve a greater positive impact on environmental, social and other issues than by working alone as an individual company. How the Group engages with its stakeholders is described on pages 74 to 79 of the Compass Group PLC Annual Report 2023 (the ARA).

As the principal activity of the Company is to act as a holding and financing company for other entities in the Group, the Company has no commercial business, no employees, customers or suppliers other than other Group companies during the period and as such the breadth of stakeholder and other considerations would often apply in operating or commercial trading companies have generally not applied to the decisions made by the directors.

Approved by the Board on 27 June 2024 and signed on its behalf by:



.....  
Gareth Sharpe  
Director

## Directors' report for the year ended 30 September 2023

The directors' present their annual report and the financial statements for the year ended 30 September 2023.

This report has been prepared in accordance with the special provisions of section 381 of the Companies Act 2006 relating to small companies. The directors have taken exemption under this regime not to disclose the strategic report.

### Principal activity

The principal activity of the company is that of a holding company.

### Business review

The profit after tax for the year was £630,000 (2022: £226,000).

### Going concern

Notwithstanding net current liabilities of £205,560,000 (2022: £206,190,000) as at 30 September 2023, the financial statements have been prepared on a going concern basis which the directors consider appropriate for the following reasons:

The Company is a component of the Compass Group PLC, one of the world's largest foodservice company. The company meets its day to day working capital requirements from intercompany loan and trading balances with the group headed by Compass Group PLC.

Compass Group PLC has prepared a base case financial forecasts covering the Compass UK group companies ("the UK Group"), including the Company for at least 12 months from the date these accounts are approved. These forecasts indicate that the UK Group will have sufficient funds available under its current resources and committed facilities to continue to meet its liabilities as they fall due.

The Company has received a letter of support from Compass Group PLC indicating that it intends to provide such funds in case is needed. 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.

Consequently, the directors of the Company are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for the foreseeable future being a period of at least 12 months from the date of approval of these financial statements and therefore have prepared these financial statements on the going concern basis.

### Dividends

The directors' do not recommend the payment of a dividend for the year (2022: £Nil).

### Directors' of the company

The directors of the Company who were in office during the year and up to the date of signing the financial statements are shown on page 2.

**Directors' report for the year ended 30 September 2023 (continued)**

**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 steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Auditor**

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

Approved by the Board on 27 June 2024 and signed on its behalf by:

A handwritten signature in blue ink, appearing to read 'G. Sharpe', with a horizontal line underneath.

Gareth Sharpe  
Director

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

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and 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 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.



## **Independent Auditor's Report to the Members of Compass Services Group Limited**

### **Opinion**

We have audited the financial statements of Compass Services Group Limited (the 'Company') for the year ended 30 September 2023, which comprise the Income Statement, Statement of Comprehensive Income, Balance Sheet, 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 30 September 2023 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").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

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 above conclusions are not a guarantee that the company will continue in operation.

### **Fraud and breaches of laws and regulations - ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors and inspection of policy documentation as to the Compass Group PLC's group policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected, or alleged fraud.

## **Independent Auditor's Report to the Members of Compass Services Group Limited (continued)**

### **Fraud and breaches of laws and regulations - ability to detect (continued)**

#### *Identifying and responding to risks of material misstatement due to fraud (continued)*

As required by auditing standards we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition given there is no revenue within the entity.

We did not identify any additional fraud risks.

#### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

#### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover this report 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 directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion the report has been prepared in accordance with the Companies Act 2006.

## **Independent Auditor's Report to the Members of Compass Services Group Limited (continued)**

### **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 7, 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.

### **Auditor's 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 auditors 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 these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **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 Cawthray FCA (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants  
One Snow Hill  
Snow Hill Queensway  
Birmingham  
B4 6GH

Date: 27 June 2024

**Income statement**

For the year ended 30 September 2023

	<b>Note</b>	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Tax credit on loss on ordinary activities	6	630	226
<b>Profit for the year</b>		<u>630</u>	<u>226</u>

The above results were derived from continuing operations.

The accompanying notes form part of these financial statements.

**Statement of comprehensive income**

For the year ended 30 September 2023

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Profit for the year	630	226
<b>Total comprehensive income for the year</b>	<u>630</u>	<u>226</u>

The accompanying notes form part of these financial statements.

**Balance sheet**

As at 30 September 2023

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Investments	7	230,939	230,939
<b>Current assets</b>			
Debtors (including £8,000,000 (2022: £7,603,000) due after > 1 year)	8	8,459	7,829
<b>Creditors:</b> Amounts falling due within one year	9	(214,019)	(214,019)
<b>Net current liabilities</b>		<u>(205,560)</u>	<u>(206,190)</u>
<b>Net assets</b>		<u>25,379</u>	<u>24,749</u>
<b>Capital and reserves</b>			
Called up share capital	10	20,000	20,000
Retained earnings		5,379	4,749
<b>Shareholders' funds</b>		<u>25,379</u>	<u>24,749</u>

The accompanying notes form part of these financial statements.

The financial statements of Compass Services Group Limited (registered number 00701899) were approved by the Board of Directors and authorised for issue on 27 June 2024 and signed on its behalf by:



Gareth Sharpe  
Director

**Statement of changes in equity**

For the year ended 30 September 2023

	<b>Share Capital £000</b>	<b>Retained earnings £000</b>	<b>Total £000</b>
<b>At 1 October 2022</b>	20,000	4,749	24,749
Total comprehensive expense		630	630
<b>At 30 September 2023</b>	<u>20,000</u>	<u>5,379</u>	<u>25,379</u>

For the year ended 30 September 2022

	<b>Share Capital £000</b>	<b>Retained earnings £000</b>	<b>Total £000</b>
<b>At 1 October 2021</b>	20,000	4,523	24,523
Total comprehensive expense		226	226
<b>At 30 September 2022</b>	<u>20,000</u>	<u>4,749</u>	<u>24,749</u>

The accompanying notes form part of these financial statements.

## Notes to the financial statements for the year ended 30 September 2023

### 1. General information

Compass Services Group Limited ("the Company") is a private company limited by share capital, incorporated, domiciled and registered in England. The registered number is 00701899.

The address of its registered office is:

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

### 2. Accounting policies

#### Basis of preparation

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

- Cash flow statement and related notes;
- Certain disclosures regarding revenue;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- The effects of new but not yet effective IFRSs;
- Disclosure in respect of the compensation of Key Management Personnel; and
- Disclosure of transactions with a management entity that provides key management personnel services to the Company.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The Company's ultimate parent undertaking, Compass Group PLC includes the Company in its consolidated financial statements. The consolidated financial statements of Compass Group PLC are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

The Company is exempt by virtue s400 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.

#### Basis of measurement

The financial statements have been prepared on a historical cost basis.



## Notes to the financial statements for the year ended 30 September 2023 (continued)

### 2. Accounting policies (continued)

#### Going concern

Notwithstanding net current liabilities of £205,560,000 (2022: £206,190,000) as at 30 September 2023, the financial statements have been prepared on a going concern basis which the directors consider appropriate for the following reasons:

The Company is a component of the Compass Group PLC, one of the world's largest foodservice company. The company meets its day to day working capital requirements from intercompany loan and trading balances with the group headed by Compass Group PLC.

Compass Group PLC has prepared a base case financial forecasts covering the Compass UK group companies ("the UK Group"), including the Company for at least 12 months from the date these accounts are approved. These forecasts indicate that the UK Group will have sufficient funds available under its current resources and committed facilities to continue to meet its liabilities as they fall due.

The Company has received a letter of support from Compass Group PLC indicating that it intends to provide such funds in case is needed. 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.

Consequently, the directors of the Company are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for the foreseeable future being a period of at least 12 months from the date of approval of these financial statements and therefore have prepared these financial statements on the going concern basis.

#### Functional and presentation currency

These financial statements are presented in Sterling, which is the Company's functional currency. All financial information presented in Sterling has been rounded to the nearest thousand, except when otherwise indicated.

#### Use of estimates and judgements

The preparation of the financial statements in conformity with FRS101 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The Board do not believe that there are any principal accounting estimates, assumptions and judgements employed in the preparation of these financial statements which could affect the carrying amounts of assets and liabilities at the balance sheet date.

## Notes to the financial statements for the year ended 30 September 2023 (continued)

### 2. Accounting policies (continued)

#### Financial instruments

##### Non-derivative financial assets

The Company initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into the following categories: financial assets at fair value through profit or loss, held-to-maturity financial assets, loans and receivables and available-for-sale financial assets.

##### Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables.

Other financial liabilities comprise trade and other payables.

#### Share capital

##### Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

##### Impairment excluding deferred tax assets

##### Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

## Notes to the financial statements for the year ended 30 September 2023 (continued)

### 2. Accounting policies (continued)

#### Impairment excluding deferred tax assets (continued)

#### Financial assets (including trade and other debtors) (continued)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of its discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

#### 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 temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

#### Expenses

#### Financing income and expenses

Financing expenses comprise interest payable. Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

### 3. Operating profit

The audit fee payable to the company's auditor for the audit of the Company's accounts of £1,200 (2022: £1,200) was borne by Compass Contract Services (UK) Limited. Non-audit fees in the year were £Nil (2022: £Nil).

**Notes to the financial statements for the year ended 30 September 2023 (continued)****4. Employee information**

The Company does not employ any staff, other than directors (2022: None).

**5. Directors' remuneration**

All of the directors who served during the year are directors of the parent company. These directors received no remuneration for their services to this company as the services provided to Compass Services Group Limited are incidental to the management roles they fulfil for the group (2022: Nil).

**6. Taxation**

Tax credited in the income statement

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Current taxation</b>		
UK corporation tax	460	226
Adjust in respect of prior years	170	-
Total current income tax	<u>630</u>	<u>226</u>
Tax receipt in the income statement	<u>630</u>	<u>226</u>

The tax assessed for the period is the higher (2022: higher) than the standard effective rate of corporation tax in the UK for the year ended 30 September 2023 of 22% (2022: 19%). The differences are explained below:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Profit on ordinary activities before tax	-	-
Effects of:		
Profit on ordinary activities multiplied by standard rate	-	-
Adjustments to tax charge in respect of previous years	170	-
Adjustments required under transfer pricing regulations	460	226
Total tax credit for the year	<u>630</u>	<u>226</u>

## Notes to the financial statements for the year ended 30 September 2023 (continued)

## 7. Investments

	2023	2022
	£000	£000
<b>Subsidiaries</b>		
<b>Cost</b>		
At 1 October	230,939	230,939
<b>Provision</b>		
	-	-
<b>Net book value</b>		
At 30 September	230,939	230,939

Details of the subsidiaries as at 30 September 2023 are as follows:

Name of subsidiary	Registered office	Ownership %
Compass Food Services Limited*	24 Parklands, Birmingham Great Park, B45 9PZ	100%
3 Gates Services Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
ACMS Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Baxter & Platts Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Capitol Catering Management Services	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Carlton Catering Partnership Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Cataforce Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
CCG (UK) Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Compass Office Cleaning Services Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Compass Services UK & Ireland Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Milburns Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
QCL Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%

**Notes to the financial statements for the year ended 30 September 2023 (continued)**

**7. Investments (continued)**

Roux Fine Dining Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Scolarest Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Shaw Catering Company Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Ski Class Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Summit Catering Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Sutcliffe Catering Midlands Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Sutcliffe Catering South East Limited	24 Parklands, Birmingham Great Park, B45 9PZ	100%
Amstel Limited	3rd Floor, 43a Yeats Way, Parkwest Business Park, Dublin 12	100%
Compass Catering Services Ireland Limited	3rd Floor, 43a Yeats Way, Parkwest Business Park, Dublin 12	100%
Drumburgh Limited	3rd Floor, 43a Yeats Way, Parkwest Business Park, Dublin 12	100%
Management Catering Services Limited	3rd Floor, 43a Yeats Way, Parkwest Business Park, Dublin 12	100%
National Catering Limited	3rd Floor, 43a Yeats Way, Parkwest Business Park, Dublin 12	100%
Rushmore Investment Company Limited	3rd Floor, 43a Yeats Way, Parkwest Business Park, Dublin 12	100%
Sutcliffe Ireland Limited	3rd Floor, 43a Yeats Way, Parkwest Business Park, Dublin 12	100%

\* indicates direct investment of Compass Services Group Limited.

In the opinion of the directors, the investments in subsidiaries are worth not less than the amounts shown above.

**8. Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Amounts owed by other group companies	8,000	7,603
Corporation tax	459	226
	<u>8,459</u>	<u>7,829</u>

The amounts owed by other group companies are unsecured, interest free and repayable on demand, although it is not expected that these amounts will be called upon in the next 12 months.

**Notes to the financial statements for the year ended 30 September 2023 (continued)**

**9. Creditors: Amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Amounts owed to group undertakings	214,019	214,019

The amounts owed to group undertakings are unsecured, interest free and repayable on demand.

**10. Share capital**

**Allotted, called up and fully paid shares**

	<b>30 September</b>		<b>30 September</b>	
	<b>2023</b>		<b>2022</b>	
	<b>No. 000</b>	<b>£000</b>	<b>No. 000</b>	<b>£000</b>
Ordinary shares of £1 each	20,000	20,000	20,000	20,000

**11. Commitments**

There were no capital commitments at the end of the financial year and no provision has been made (2022: £Nil).

**12. Related party transactions**

As a wholly owned subsidiary, the Company is exempt from disclosure of transactions with group undertakings under FRS 101.

**13. Parent and ultimate parent undertaking**

The Company's immediate parent undertaking's is Hospitality Holdings Limited.

The ultimate parent and controlling party is Compass Group PLC. This is the largest and smallest group into which the Company is consolidated.

The only group of undertakings for which group accounts are drawn up and of which the company is a member is Compass Group PLC. Copies of the group accounts referred to above can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.