
THE GOOD EATING COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

THE GOOD EATING COMPANY LIMITED

COMPANY INFORMATION

Directors	David Bailey Jean Renton Amolak Dhariwal
Company secretary	Sodexo Corporate Services (No.2) Limited
Registered number	03893038
Registered office	One Southampton Row London WC1B 5HA
Independent auditor	Forvis Mazars LLP Chartered Accountants and Statutory Auditor 30 Old Bailey London EC4M 7AU

THE GOOD EATING COMPANY LIMITED

CONTENTS

	Page
Strategic Report	1 - 3
Directors' Report	4 - 5
Directors' Responsibilities Statement	6
Independent Auditor's Report	7 - 10
Statement of Comprehensive Income	11
Statement of Financial Position	12
Statement of Changes in Equity	13
Notes to the Financial Statements	14 - 34

THE GOOD EATING COMPANY LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2024

Introduction

The directors present their Strategic Report and audited financial statements for the year ended 31 August 2024.

Principal activity

The principal activity of the Company during the year was the provision of catering services in the corporate sector in the UK and Ireland.

The Good Eating Company Limited is a wholly owned subsidiary of Sodexo Limited. Sodexo Limited employs around 34,000 people and delivers services that improve the quality of life to clients at some 1,850 locations in a variety of sectors from corporate and healthcare to education and the defence sectors. Services range from catering and reception to asset management and grounds maintenance, enabling clients to focus on their core business.

Business review

The profit for the year, after taxation, amounted to £133,000 (2023: £15,000). The Statement of Financial Position shows the Company has net liabilities of £1,240,000 at 31 August 2024 (2023: £1,381,000).

Turnover for the year was £20,523,000 (2023: £16,431,000). Growth in revenue has been driven by securing additional client contracts during the year as well as maintaining the existing portfolio of clients.

Operating profit margin has increased from 1.1% to 1.5% in the year. The improvement in the margin reflects the Company's more effective cost control in the year.

Financial key performance indicators

We consider the key performance indicators of the business to be turnover growth and operating profit margin. For the year to 31 August 2024, these were as follows:

	2024	2023
	%	%
Turnover growth	24.9	60.0
Operating profit margin	1.5	1.1

The growth in turnover for the current year has been explained above in the business review. The growth in the prior year was higher as a result of increased demand from clients as they encouraged more employees back to the office compared to FY22 which was still recovering from the impact of Covid. The operating profit margin has improved due to more effective cost control in the current year.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Principal risks and uncertainties

The Company is exposed to a number of principal risks and uncertainties that are monitored and managed through the Company's risk management framework. The most significant risks that may adversely affect the Company's financial performance, operations and reputation are outlined below:

Financial risks and their management

As part of its ordinary activities the Company is exposed to a number of financial risks including liquidity risk, credit risk and interest rate risk. The Company proactively monitors these risks to ensure that they are managed appropriately.

Liquidity risk

The Company manages its cash to ensure that there are sufficient liquid resources to meet the operational needs of its business activities.

Credit risk

Receivable balances are monitored on an ongoing basis to ensure that the credit lines offered are appropriate and provision is made for doubtful debts where considered necessary, although the majority of the Company's clients are of large company status and of long-standing repute.

The Company's principal financial risk exposure is to a level of credit risk associated with its intercompany debtors, which the directors consider to be normal. The directors consider that no significant credit risk arises from such balances as they are supported by the wider group.

The Company forms a part of the Sodexo UK and Ireland group of companies, together the "UK&I". The UK&I group utilise a cash pooling facility that the Company can utilise and the directors consider that this mitigates the liquidity risk.

Interest rate risk

Interest rate risk is not considered to represent a significant risk at this time. The interest bearing liabilities are insignificant in total and, as such, enable management to plan and structure the business accordingly to reflect any interest costs that may arise efficiently.

Food services and workplace safety risks

The health and safety of our colleagues, clients and their customers remain a core priority. The Quality Safety Health & Environment ("QSHE") board provides strategic direction, measures performance, and supports training for all colleagues. The 'Zero Harm Mindset' culture is embedded, monitored and improved continuously through actions across and within all operations.

Competition & Retention risks

The Company operates in a highly competitive, low margin marketplace where there is a risk that the Company could lose sales to its key competitors. The Company manages this risk by having a diversified portfolio of contracts, with innovation and service excellence. It focuses on building strong relationships with clients and customers to deliver high levels of retention and win new contracts and clients.

Regulatory risks

The nature of the Company's business means that it is subject to a wide variety of laws and regulations including labour law, corporate law, and health, safety, and environmental law. Sodexo has strong internal governance in place to ensure compliance with these laws and regulations and to manage change effectively. Expected changes in labour laws are being tracked closely following the change in government.

Sodexo Speak Up offers the Company employees and partners a confidential way to report activities or behaviours that are contrary to the Company's Code of Conduct or simply illegal.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Economic risks

The Company is exposed to fluctuations in the cost and supply of food, labour and other goods. Many of the Company contracts include certain clauses allowing for increases in prices or menu changes. During inflationary periods the established upfront planning of inflation recovery with clients, tariff management, cost optimisation, and steps to secure supply at competitive prices are critical to protect margins.

Service delivery and contractual compliance

The Company contracts with a large number of clients from various sectors. Failure to comply with the terms of these contracts including proper delivery of services could lead to the loss of business and, damage to our reputation as well as claims against the Company. We look to mitigate these risks by operating a defined list of services and a control framework that monitors the performance of these services against the required contract terms and conditions.

Technology and information security

The Company faces risks around managing the confidentiality, availability and integrity of the Company's information technology assets; managing cloud systems and third-party suppliers, managing the Company and client data; risks from external cyber threats. These risks are monitored by the Sodexo group's Information and Security Committee that reviews the controls in place to mitigate such risks. Examples of mitigating activities include Information and Systems Security Policy aligned to ISO 27001 framework; investment in security infrastructure; incident monitoring; vulnerability scanning; digital supply chain management and security awareness training.

This report was approved by the board on 23 May 2025 and signed on its behalf.

Amolak Dhariwal
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024**

The directors present their report and the financial statements for the year ended 31 August 2024.

Matters covered in the Strategic Report

As permitted by paragraph 1A of Schedule 7 to the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report. These matters relate to the business review, principal risks and uncertainties and financial key performance indicators as required by the Companies Act 2006.

Results and dividends

The profit for the year, after taxation, amounted to £133,000 (2023 - £15,000).

The directors do not recommend the payment of a final dividend (2023 - £Nil).

Directors

The directors who served during the year were:

Julie Ennis (resigned 24 May 2024)
Amolak Dhariwal (appointed 1 January 2025)
David Bailey
Jean Renton

Overseas branches

The Company operates a branch in the Republic of Ireland.

Future developments

The directors anticipate that the current activities of the Company will continue in the foreseeable future without significant changes. The Company will maintain its focus on delivering high-quality catering services to its existing client base, while exploring potential opportunities to enhance operational efficiency and customer satisfaction.

Going concern

The directors continue to adopt the going concern basis in the preparation of the financial statements.

The Company forms part of the Sodexo UK and Ireland group of companies, together the "UK&I Group", which is part of the wider Sodexo Group headed by Sodexo S.A., a company incorporated in France. The principal activity of the UK&I Group is to provide facilities management and catering services across the UK and Ireland, operating across various segments such as education, sports and leisure, corporate services, government and healthcare.

The Company meets its day to day working capital requirements from operational cash flows, cash pooling and intercompany loan arrangements within the UK&I Group. The UK&I Group has remained resilient throughout the adverse changes in the economic environment as a result of tight management of cash and balance sheet, and strong retention of existing contracts, alongside the spread of business across food and facilities management services, and across public and private sector clients as well as the strong inflation management processes in place. In addition, the UK&I Group continues to see opportunities for organic growth with new contracts in the pipeline. However, we remain prepared for further macro-economic impacts with agility, good commercial management, and careful cost control continuing to be critical.

THE GOOD EATING COMPANY LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024**

To inform the basis of preparation of these accounts, the directors have considered cash and profit forecasts for forward trade of the UK&I Group over the twelve month period following the date of approval of these accounts, based on the facts we have as at the date of approval of these financial statements. These forecasts include a severe but plausible downside scenario which models a deterioration in gross margin as a result of operational performance, a downturn in revenues due to contracts of key clients not being renewed and the under recovery of inflation. The forecasts indicate that the UK&I Group will continue to be resilient in the current macro economic environment. Routine peaks in cash requirements during the trading cycle will be funded from an overdraft facility with the parent company, Sodexo S.A., if necessary. In a worst-case scenario, the Company could draw upon additional funding from its ultimate parent company to enable it to meet its liabilities as they fall due during the twelve month period from the signing of these accounts.

Sodexo S.A., which currently has a strong credit rating of Baa1 from Moody's Investors Service, has indicated its intention, by a letter of support, to continue to make available such funds as are needed by the Company during the going concern assessment period. 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 twelve month period following the date of approval of these accounts and therefore have prepared the financial statements on a going concern basis.

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2023: £Nil).

Qualifying third party indemnity provisions

The Company maintains insurance for directors and officers in respect of their duties as directors and officers of the Company.

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.

Auditor

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

This report was approved by the board on 23 May 2025 and signed on its behalf.

Amolak Dhariwal
Director

THE GOOD EATING COMPANY LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2024**

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOOD EATING COMPANY LIMITED

Opinion

We have audited the financial statements of The Good Eating Company Limited ("the Company") for the year ended 31 August 2024 which comprise the Statement of Total Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOOD EATING COMPANY LIMITED (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

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 Directors' Report for the financial year 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.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOOD EATING COMPANY LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GOOD EATING COMPANY LIMITED (CONTINUED)

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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. This description forms part of our auditor's report.

Use of the audit 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.

Richard Karmel (Senior Statutory Auditor)

for and on behalf of
Forvis Mazars LLP

Chartered Accountants and Statutory Auditor

30 Old Bailey
London
EC4M 7AU

23 May 2025

THE GOOD EATING COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £000	As restated 2023 £000
Turnover	4	20,523	16,431
Operating expenses		(20,223)	(16,247)
Operating profit	5	300	184
Interest receivable and similar income		12	6
Interest payable and similar expenses	8	(109)	(21)
Profit before tax		203	169
Tax on profit	9	(70)	(154)
Profit for the financial year		133	15

There was no other comprehensive income for 2024 (2023:£NIL).

All amounts relate to continuing operations.

The notes on pages 14 to 34 form part of these financial statements.

THE GOOD EATING COMPANY LIMITED
REGISTERED NUMBER: 03893038

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2024

	Note	2024 £000	2023 £000
Non-current assets			
Tangible fixed assets	10	1,344	1,529
		<u>1,344</u>	<u>1,529</u>
Current assets			
Stocks	11	97	61
Debtors: amounts falling due within one year	12	3,374	2,412
Cash at bank and in hand		316	476
		<u>3,787</u>	<u>2,949</u>
Creditors: amounts falling due within one year	13	(5,491)	(4,673)
Net current liabilities		<u>(1,704)</u>	<u>(1,724)</u>
Total assets less current liabilities		<u>(360)</u>	<u>(195)</u>
Creditors: amounts falling due after more than one year	14	(836)	(1,186)
Provisions for liabilities			
Other provisions	16	(44)	-
		<u>(44)</u>	<u>-</u>
Net liabilities		<u><u>(1,240)</u></u>	<u><u>(1,381)</u></u>
Capital and reserves			
Called up share capital	19	200	200
Share based payment reserve		16	8
Profit and loss account		(1,456)	(1,589)
		<u>(1,240)</u>	<u>(1,381)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 May 2025.

Amolak Dhariwal
Director

The notes on pages 14 to 34 form part of these financial statements.

THE GOOD EATING COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2024

	Called up share capital £000	Share based payment reserve £000	Profit and loss account £000	Total equity £000
At 1 September 2022	200	-	(1,604)	(1,404)
Profit for the year	-	-	15	15
Contributions by and distributions to owners				
Share based payments	-	8	-	8
At 1 September 2023	200	8	(1,589)	(1,381)
Profit for the year	-	-	133	133
Contributions by and distributions to owners				
Share based payments	-	8	-	8
At 31 August 2024	<u>200</u>	<u>16</u>	<u>(1,456)</u>	<u>(1,240)</u>

The notes on pages 14 to 34 form part of these financial statements.

THE GOOD EATING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

1. General information

The Good Eating Company Limited is a private company limited by shares, registered in England and Wales. The registered number is 03893038 and the 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 the financial statements is pound sterling (£). All amounts are rounded to the nearest £1,000.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

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

- the requirement of paragraphs 45(b) and 46-52 of IFRS 2 Share-based payment
- the requirements of IFRS 7 Financial Instruments: Disclosures
- 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
- the requirements in IAS 12 Income taxes paragraph 12.88B.

This information is included in the consolidated financial statements of Sodexo S.A., a company incorporated in France, as at 31 August 2024 and these financial statements may be obtained from The Secretary, Sodexo S.A., 225 Quai de la Bataille de Stalingrad, 92866 Issy-Les-Moulineaux, France.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.3 Impact of new international reporting standards, amendments and interpretations

Standards, amendments and interpretations adopted in the current financial year ended 31 August 2024

The adoption of the following mentioned standards, amendments and interpretations in the current year have not had a material impact on the Company's financial statements:

- IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements: Amendments in relation to the disclosure of accounting policies
- IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Amendments in relation to the definition of accounting estimates
- IAS 12 Income Taxes: Amendments in relation to deferred tax related to assets and liabilities arising from a single transaction
- IFRS 17 Insurance Contracts and Amendments to IFRS 17 Insurance Contracts, including IFRS 17 Insurance Contracts: Amendments relation to the initial application of IFRS 17 and IFRS 9

All standards above are UK adopted and EU endorsed and effective for periods beginning on or after 1 January 2023.

The accounting policies which follow set out those policies which were applied in preparing the financial statements for the year ended 31 August 2024.

Standards, amendments and interpretations in issue but not yet effective

The adoption of the following mentioned standards, amendments and interpretations in future years are not expected to have a material impact on the Company's financial statements:

The Company is however continuing to assess the full impact that adopting IFRS 16, IFRS 7 and IAS 1 will have on future financial statements, and therefore the full effect is yet to be determined.

UK adopted and EU endorsed - periods beginning on or after 1 January 2024

- IFRS 16 Leases (Amendment): Lease Liability in a Sale and Leaseback
- IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures (Amendment): Supplier Finance Arrangements
- IAS 1 Presentation of Financial Statements (Amendment): Classification of Liabilities as Current or Non-current and Classification of Non-current Liabilities with Covenants.

UK adopted (not EU endorsed) - periods beginning on or after 1 January 2025

- IAS 21 the Effects of Changes in Foreign Exchange Rates (Amendment): Lack of Exchangeability

Subject to UK adoption and EU endorsement - periods beginning on or after 1 January 2026

- IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Amendment): Classification and Measurement of Financial Instruments
- Annual Improvements to IFRS Accounting Standards - Volume 11
 - IFRS 1 – First-time Adoption of International Financial Reporting Standards
 - IFRS 7 – Financial Instruments: Disclosures
 - IFRS 9 – Financial Instruments
 - IFRS 10 – Consolidated Financial Statements
 - IAS 7 – Statement of Cash Flows

Subject to UK adoption and EU endorsement - periods beginning on or after 1 January 2027

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

Impact of new international reporting standards, amendments and interpretations (continued)

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

New accounting standards and interpretations

The Company applied the same standards, interpretations and accounting policies in 2024 as applied in its financial statements for the year ended 31 August 2023, except for changes required to meet new IFRS requirements applicable from 1 January 2023.

2.4 Going concern

The directors continue to adopt the going concern basis in the preparation of the financial statements.

The Company forms part of the Sodexo UK and Ireland group of companies, together the "UK&I Group", which is part of the wider Sodexo Group headed by Sodexo S.A., a company incorporated in France. The principal activity of the UK&I Group is to provide facilities management and catering services across the UK and Ireland, operating across various segments such as education, sports and leisure, corporate services, government and healthcare.

The Company meets its day to day working capital requirements from operational cash flows, cash pooling and intercompany loan arrangements within the UK&I Group. The UK&I Group has remained resilient throughout the adverse changes in the economic environment as a result of tight management of cash and balance sheet, and strong retention of existing contracts, alongside the spread of business across food and facilities management services, and across public and private sector clients as well as the strong inflation management processes in place. In addition, the UK&I Group continues to see opportunities for organic growth with new contracts in the pipeline. However, we remain prepared for further macro-economic impacts with agility, good commercial management, and careful cost control continuing to be critical.

To inform the basis of preparation of these accounts, the directors have considered cash and profit forecasts for forward trade of the UK&I Group over the twelve month period following the date of approval of these accounts, based on the facts we have as at the date of approval of these financial statements. These forecasts include a severe but plausible downside scenario which models a deterioration in gross margin as a result of operational performance, a downturn in revenues due to contracts of key clients not being renewed and the under recovery of inflation. The forecasts indicate that the UK&I Group will continue to be resilient in the current macro economic environment. Routine peaks in cash requirements during the trading cycle will be funded from an overdraft facility with the parent company, Sodexo S.A., if necessary. In a worst-case scenario, the Company could draw upon additional funding from its ultimate parent company to enable it to meet its liabilities as they fall due during the twelve month period from the signing of these accounts.

Sodexo S.A., which currently has a strong credit rating of Baa1 from Moody's Investors Service, has indicated its intention, by a letter of support, to continue to make available such funds as are needed by the Company during the going concern assessment period. 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.4 Going concern (continued)

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 twelve month period following the date of approval of these accounts and therefore have prepared the financial statements on a going concern basis.

2.5 Leases

The Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of a contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is included in 'Creditors' on the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.5 Leases (continued)

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in note 2.15.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient.

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Pounds Sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.7 Turnover

Turnover is recognised in the period in which services are provided in accordance with the terms of the contractual relationships with third parties. Turnover represents the fair value of the consideration received or receivable for goods and services provided in the normal course of business, excluding value added tax and similar sales taxes.

Sale of goods

Turnover is recognised at the point of sale for food, beverages and similar eatable items.

Management fee contracts

Turnover from management fee contracts comprises the total of sales made to consumers, the subsidy charged to clients, together with the management fee charged to clients.

Fixed price contracts

Turnover from fixed price contracts is recognised in proportion to the volume of services that the Company is contracted to supply in each period.

2.8 Interest income

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

2.9 Finance costs

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.

2.10 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.12 Current and deferred taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income 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. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. 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.

2.13 Share-based payments

The Company's ultimate parent undertaking, Sodexo S.A. ("the Group"), operates an equity settled share-based payment scheme for the benefit of its employees. Sodexo S.A. recognises the economic cost of awarding share options to employees by recording an expense in profit or loss and equal to the fair value of the benefit awarded with the corresponding entry recorded in equity over the vesting period. The fair value of the shares is estimated by the Group at the date of grant based upon the share price at that date after deductions for dividends on the shares that will not be paid to beneficiaries during the vesting period. The fair value of the shares is subject to a performance condition based upon Total Shareholder Return and is estimated using a binomial model that reflects the vesting conditions. The Group carry out a reassessment of the number of shares that is likely to be delivered to beneficiaries based upon applicable vesting conditions on an annual basis. Any change in estimates is recognised in the Statement of Comprehensive Income with the corresponding value recorded in equity. The Company recognises their share of the share-based payment charge as an expense in the Statement of Comprehensive Income and in equity.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Right of use assets	- Period of the lease term
Plant and machinery	- 2 - 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.15 Impairment of assets

At each reporting date, the Company reviews the carrying value of its intangible assets and property, plant and equipment (including right of use assets) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, for which the estimates of future cash flows have not been adjusted. Any resulting changes are recognised in the Statement of Comprehensive Income in the period to which they relate.

2.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

2.17 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.19 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.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation. Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

2. Accounting policies (continued)

2.21 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an outright short-term loan that is not at market rate, the financial asset or liability is measured: initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

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

The preparation of financial statements requires management to make estimates and judgements which affect the amounts reported for assets, liabilities and contingent liabilities as of the date of preparation of the financial statements, and for revenues and expenses for the period.

Estimates and underlying assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The estimates and judgements that have the most material impact on the financial performance and position of the Company are as follows:

(i) Impairment of trade debtors

Provision is made for doubtful trade debtors. This provision requires management's judgement as to whether circumstances exist which indicate that trade debtors may not be recoverable in full. This judgement is considered to be material on account of the balance of trade debtors being material to the Company's Statement of Financial Position.

(ii) Tangible fixed assets

The Company uses various tangible fixed assets to support the delivery of its services to clients. Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives. Accounting policies for depreciation are intended to reflect management's estimation of the useful lives of the Company's tangible fixed assets. Management periodically reviews these estimates to ensure they remain appropriate.

(iii) Lease terms

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Further details are set out in the accounting policies below.

(iv) Incremental borrowing rate

In determining the incremental borrowing rate, management have assessed the market rate of interest that would have to be paid to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Management have made this assessment at the inception of each lease.

THE GOOD EATING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

4. Turnover

The whole of the turnover is attributable to the provision of catering in the corporate sector in UK and Ireland.

Analysis of turnover by country of destination:

	2024	2023
	£000	£000
United Kingdom	18,392	15,572
Ireland	2,131	859
	<u>20,523</u>	<u>16,431</u>

5. Operating profit

The operating profit is stated after charging:

	2024	2023
	£000	£000
Depreciation of tangible fixed assets - owned assets	46	58
Depreciation of right-of-use assets	271	201
Defined contribution pension cost	<u>241</u>	<u>173</u>

6. Auditor's remuneration

During the year, the Company obtained the following services from the Company's auditor and its associates:

	2024	2023
	£000	£000
Fees payable to the Company's auditors for the audit of the Company's financial statements	<u>33</u>	<u>29</u>

THE GOOD EATING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

7. Employees

Staff costs were as follows:

	2024 £000	2023 £000
Wages and salaries	9,948	8,096
Social security costs	952	718
Cost of defined contribution scheme	241	173
	<u>11,141</u>	<u>8,987</u>

The Company's directors are remunerated through other entities in the group of companies headed by Sodexo S.A. Accordingly there was no directors remuneration for the year ended 31 August 2024 (2023: £nil). The average monthly number of employees, including the directors, during the year was as follows:

	2024 No.	2023 No.
Catering	199	184
Management and administration	55	19
	<u>254</u>	<u>203</u>

8. Interest payable and similar expenses

	2024 £000	2023 £000
Other loan interest payable	21	10
IFRS 16 interest expense	88	11
	<u>109</u>	<u>21</u>

THE GOOD EATING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

9. Taxation

	2024 £000	2023 £000
Corporation tax		
Current tax on profits for the year	(6)	(3)
Adjustments in respect of previous periods	5	-
	<u>(1)</u>	<u>(3)</u>
Foreign tax		
Foreign tax on income for the year	25	11
	<u>25</u>	<u>11</u>
Total current tax	<u><u>24</u></u>	<u><u>8</u></u>
Deferred tax		
Origination and reversal of timing differences	54	27
Impact of rate change	-	4
Adjustments in respect of previous years	(8)	115
	<u>46</u>	<u>146</u>
Total deferred tax	<u><u>46</u></u>	<u><u>146</u></u>
Taxation on profit on ordinary activities	<u><u>70</u></u>	<u><u>154</u></u>

THE GOOD EATING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

9. Taxation (continued)

Factors affecting tax charge for the year

The total tax charge (2023: charge) for the year is higher than (2023 - *higher than*) the standard rate of corporation tax of 25.0% (2023: 21.5%). The differences are explained below:

	2024 £000	2023 £000
Profit on ordinary activities before tax	<u>203</u>	<u>169</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25.0% (2023: 21.5%)	51	36
Effects of:		
Adjustments in respect of prior years	(3)	115
Expenses not deductible for tax purposes	(3)	(1)
Overseas tax charge	25	-
Impact of rate change on deferred tax balances	-	4
Total tax charge for the year	<u><u>70</u></u>	<u><u>154</u></u>

Factors that may affect future tax charges

The company is a member of the Sodexo S.A. Group which is expected to be a multinational enterprise ("MNE") within the scope of Pillar Two. The Group has carried out preliminary work and does not anticipate any significant impact from this measure in the UK. As at 31 August 2024, no deferred tax has been recognised in application of the amendment to IAS 12 concerning the mandatory exemption from recognition of deferred tax in the financial statements in relation to Pillar Two income tax.

THE GOOD EATING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

10. Tangible fixed assets

	Leasehold property £000	Plant and machinery £000	Total £000
Cost or valuation			
At 1 September 2023	2,106	314	2,420
Additions	-	235	235
IFRS 16 adjustment	(103)	-	(103)
	<u>2,003</u>	<u>549</u>	<u>2,552</u>
Depreciation			
At 1 September 2023	692	199	891
Charge for the year on owned assets	-	46	46
Charge for the year on right-of-use assets	271	-	271
	<u>963</u>	<u>245</u>	<u>1,208</u>
Net book value			
At 31 August 2024	<u>1,040</u>	<u>304</u>	<u>1,344</u>
At 31 August 2023	<u>1,414</u>	<u>115</u>	<u>1,529</u>

The net book value of owned and leased assets included as "Tangible fixed assets" in the Statement of Financial Position is as follows:

	2024 £000	2023 £000
Tangible fixed assets owned	304	115
Right-of-use tangible fixed assets	1,040	1,414
	<u>1,344</u>	<u>1,529</u>

Information about right-of-use assets is summarised below:

Net book value

	2024 £000	2023 £000
Leasehold property	<u>1,040</u>	<u>1,414</u>

THE GOOD EATING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

10. Tangible fixed assets (continued)

Depreciation charge for the year ended

	2024 £000	2023 £000
Leasehold property	<u>271</u>	<u>201</u>

11. Stocks

	2024 £000	2023 £000
Finished goods and goods for resale	<u>97</u>	<u>61</u>

Stock recognised in the Statement of Comprehensive Income during the year as an expense amounted to £6,891,000 (2023: £5,447,000).

12. Debtors

	2024 £000	2023 £000
Trade debtors	1,739	1,554
Amounts owed by group undertakings	156	452
Other debtors	654	66
Prepayments and accrued income	813	282
Deferred taxation	12	58
	<u>3,374</u>	<u>2,412</u>

All amounts owed by group undertakings are receivable on demand, unsecured and interest free.

THE GOOD EATING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

13. Creditors: amounts falling due within one year

	2024	2023
	£000	£000
Bank overdrafts	1,252	-
Trade creditors	1,201	742
Amounts owed to group undertakings	752	2,423
Other taxation and social security	1,150	623
Lease liabilities	272	248
Other creditors	384	280
Accruals and deferred income	480	357
	5,491	4,673
	5,491	4,673

All amounts owed to group undertakings are payable on demand, unsecured and interest free.

14. Creditors: amounts falling due after more than one year

	2024	2023
	£000	£000
Lease liabilities	836	1,186
	836	1,186

15. Deferred taxation

	2024	2023
	£000	£000
At beginning of year	58	204
Charged to the Statement of Comprehensive Income	(46)	(146)
At end of year	12	58
	12	58

The deferred tax asset is made up as follows:

	2024	2023
	£000	£000
Accelerated capital allowances	(9)	48
Short-term timing differences	21	10
	12	58
	12	58

THE GOOD EATING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

16. Provisions

	Provisions £000
Charged to profit or loss	44
At 31 August 2024	44

Provisions were made in the current year for an onerous contract.

17. Leases

Company as a lessee

Lease liabilities under IFRS 16 are due as follows:

Contractual undiscounted cash flows are due as follows:

	2024 £000	<i>2023 £000</i>
Not later than one year	329	325
Between one year and five years	977	1,305
	1,306	<i>1,630</i>

The following amounts in respect of leases, where the Company is a lessee, have been recognised in the Statement of Comprehensive Income:

	2024 £000	<i>2023 £000</i>
Expenses relating to leases of low-value assets or short-term leases	312	186
Interest expense on lease liabilities	88	<i>11</i>

THE GOOD EATING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

18. Share options and share-based payments

The Company's ultimate parent undertaking, Sodexo S.A. ("the Group"), operates an equity settled share-based payment scheme for the benefit of its employees. The scheme is open to specific individuals based upon performance conditions ranging from 10% to 100%, depending on the total number of shares awarded. Allocation is based upon number of shares held by specific employees. The performance criteria applied are directly linked to the Group's strategic priorities and are intended to measure performance in a global manner.

The options will vest provided that the employee remains in service for 3 years from the date of the grant. The exercise price of the options is the market value at the date of grant after deductions for dividends on the shares that will be paid to beneficiaries during the vesting period. The options have a contractual life of 3 years.

The Group has granted options and issued capital units to certain of the subsidiary undertakings' members and employees. These awards give rise to share-based payment expenses incurred by the Group but are fully borne to the Company making equal capital contributions to the subsidiary undertakings to cover the expenses.

The fair value of restricted shares subject to a performance condition based on Total Shareholder Return is estimated using a binomial model that takes into account the vesting conditions.

19. Share capital

	2024	2023
	£000	£000
Allotted, called up and fully paid		
200,100 (2023: 200,100) Ordinary shares of £1.00 each	<u>200</u>	<u>200</u>

The Company has one class of ordinary shares and each share carries one voting right per share, but no right to fixed income.

20. Pension commitments

The Company made contributions in respect of staff totalling £241,000 (2023: £173,000) to pension schemes in the period. Outstanding contributions at balance sheet date amount to £38,000 (2023: £31,000).

21. Prior year restatement

We have updated the presentation of the Statement of Comprehensive Income to align with other subsidiary entities across the Sodexo UK&I Group. As a result, we have merged cost of sales and administrative expenses together into operating expenses. There has been no impact on profit or loss as a result of the restatement.

THE GOOD EATING COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

22. Controlling party

The Company is a subsidiary of The Good Eating Holdings Company Limited, a company registered in England and Wales.

The Company's ultimate parent company and controlling party is Sodexo SA, 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 SA, 225 Quai de la Bataille de Stalingrad, 92866 Issy-Les-Moulineaux, France.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.