Consolidated income statement for the year ended 30 September 2024

	Notes	2024 $m	2024 $m	Restated[1] 2023 $m	Restated[1] 2023 $m
Revenue	2		**42,002**		37,907
Operating costs	3		**(39,462)**		(35,662)
Operating profit before joint ventures and associates			**2,540**		2,245
Share of results of joint ventures and associates	2, 14		**44**		68
Underlying operating profit[2]	2, 34	**2,998**		2,592	
Acquisition-related charges	3, 34	**(235)**		(153)	
Charges related to the strategic portfolio review	3, 34	**(170)**		(118)	
Other[3]	34	**(9)**		(8)	
Operating profit	2		**2,584**		2,313
Net (loss)/gain on sale and closure of businesses	27, 34		**(203)**		24
Finance income	5	**37**		59	
Finance expense	5	**(286)**		(225)	
Acquisition-related charges	5, 34	**(9)**		–	
Other financing items	5, 34	**(67)**		(34)	
Finance costs			**(325)**		(200)
Profit before tax			**2,056**		2,137
Income tax expense	6		**(642)**		(525)
Profit for the year			**1,414**		1,612
Attributable to					
Equity shareholders			**1,404**		1,607
Non-controlling interests			**10**		5
Profit for the year			**1,414**		1,612
Basic earnings per share	7		**82.3c**		92.2c
Diluted earnings per share	7		**82.2c**		92.1c

1. See note 1.
2. Operating profit excluding specific adjusting items (see note 34).
3. Other specific adjusting items include one-off pension charge and tax on share of profit of joint ventures (see note 34).

The accompanying notes form part of these consolidated financial statements.

Consolidated statement of comprehensive income for the year ended 30 September 2024

	Notes	2024 $m	Restated[1] 2023 $m
Profit for the year		**1,414**	1,612
Other comprehensive income			
Items that will not be reclassified to the income statement			
Remeasurement of post-employment benefit obligations	24	**(286)**	33
Return on plan assets, excluding interest income	24	**63**	(331)
Change in asset ceiling, excluding interest income	24	**(1)**	6
Change in fair value of financial assets at fair value through other comprehensive income[2]	15	**322**	115
Tax (charge)/credit on items relating to the components of other comprehensive income		**(37)**	36
		61	(141)
Items that may be reclassified to the income statement			
Currency translation differences[3]		**267**	229
Change in fair value of financial assets at fair value through other comprehensive income[2]	15	**28**	–
Reclassification of cumulative currency translation differences on sale of businesses	27	**250**	(1)
Tax credit on items relating to the components of other comprehensive income		**2**	4
		547	232
Total other comprehensive income for the year		**608**	91
Total comprehensive income for the year		**2,022**	1,703
Attributable to			
Equity shareholders		**2,012**	1,698
Non-controlling interests		**10**	5
Total comprehensive income for the year		**2,022**	1,703

1. See note 1.
2. The credit totalling $350m (2023: $115m) from the change in fair value of financial assets at fair value through other comprehensive income includes $171m (2023: $69m) in respect of assets held by the Rabbi Trust arrangements and $179m (2023: $46m) in respect of trade and other investments in the US.
3. Includes a gain of $318m (2023: $203m) in relation to the effective portion of net investment hedges.

The accompanying notes form part of these consolidated financial statements.

Consolidated statement of changes in equity for the year ended 30 September 2024

	Notes	Attributable to equity shareholders Share capital $m	Share premium $m	Other reserves[1] $m	Retained earnings $m	Non-controlling interests $m	Total equity $m
At 1 October 2023 (restated[2])		346	317	4,582	1,018	37	6,300
Profit for the year		–	–	–	1,404	10	1,414
Other comprehensive income							
Remeasurement of post-employment benefit obligations	24	–	–	–	(286)	–	(286)
Return on plan assets, excluding interest income	24	–	–	–	63	–	63
Change in asset ceiling, excluding interest income	24	–	–	–	(1)	–	(1)
Change in fair value of financial assets at fair value through other comprehensive income	15	–	–	–	350	–	350
Currency translation differences		–	–	267	–	–	267
Reclassification of cumulative currency translation differences on sale of businesses	27	–	–	250	–	–	250
Tax credit/(charge) on items relating to the components of other comprehensive income	6	–	–	2	(37)	–	(35)
Total other comprehensive income for the year		–	–	519	89	–	608
Total comprehensive income for the year		–	–	519	1,493	10	2,022
Fair value of share-based payments	26	–	–	–	68	–	68
Change in fair value of non-controlling interest put options		–	–	7	–	–	7
Changes to non-controlling interests due to acquisitions and disposals		–	–	(54)	–	40	(14)
Reclassification of revaluation reserve on sale of businesses		–	–	(14)	14	–	–
Cost of shares transferred to employees		–	–	64	(64)	–	–
Purchase of own shares – share buyback		–	–	(512)	–	–	(512)
Tax credit on items taken directly to equity	6	–	–	–	8	–	8
		346	317	4,592	2,537	87	7,879
Dividends paid to equity shareholders	8	–	–	–	(963)	–	(963)
Dividends paid to non-controlling interests		–	–	–	–	(10)	(10)
At 30 September 2024		346	317	4,592	1,574	77	6,906

1. Other reserves are analysed in note 25.
2. See note 1.

The accompanying notes form part of these consolidated financial statements.

	Notes	Attributable to equity shareholders					
		Share capital $m	Share premium $m	Other reserves $m	Retained earnings $m	Non-controlling interests $m	Total equity $m
At 1 October 2022 (restated[1])		346	317	5,559	325	44	6,591
Profit for the year		–	–	–	1,607	5	1,612
Other comprehensive income							
Remeasurement of post-employment benefit obligations	24	–	–	–	33	–	33
Return on plan assets, excluding interest income	24	–	–	–	(331)	–	(331)
Change in asset ceiling, excluding interest income	24	–	–	–	6	–	6
Change in fair value of financial assets at fair value through other comprehensive income	15	–	–	–	115	–	115
Currency translation differences		–	–	229	–	–	229
Reclassification of cumulative currency translation differences on sale of businesses	27	–	–	(1)	–	–	(1)
Tax credit on items relating to the components of other comprehensive income	6	–	–	4	36	–	40
Total other comprehensive income/(loss) for the year		–	–	232	(141)	–	91
Total comprehensive income for the year		–	–	232	1,466	5	1,703
Fair value of share-based payments	26	–	–	–	54	–	54
Change in fair value of non-controlling interest put options		–	–	16	–	–	16
Changes to non-controlling interests due to acquisitions and disposals		–	–	(2)	–	2	–
Reclassification of non-controlling interest put options reserve on exercise of put options		–	–	7	–	(7)	–
Cost of shares transferred to employees		–	–	35	(35)	–	–
Purchase of own shares – share buyback		–	–	(1,246)	–	–	(1,246)
Purchase of own shares – employee share-based payments		–	–	(19)	–	–	(19)
Tax credit on items taken directly to equity	6	–	–	–	4	–	4
		346	317	4,582	1,814	44	7,103
Dividends paid to equity shareholders	8	–	–	–	(796)	–	(796)
Dividends paid to non-controlling interests		–	–	–	–	(7)	(7)
At 30 September 2023 (restated[1])		346	317	4,582	1,018	37	6,300

1. See note 1.

The accompanying notes form part of these consolidated financial statements.

Consolidated balance sheet at 30 September 2024

	Notes	30 September 2024 $m	Restated[1] 30 September 2023 $m	Restated[1] 1 October 2022 $m
Non-current assets				
Goodwill	9	**6,899**	6,105	5,715
Other intangible assets	10	**3,325**	2,480	2,188
Costs to obtain and fulfil contracts	11	**1,525**	1,316	1,235
Right-of-use assets	12	**1,144**	992	917
Property, plant and equipment	13	**1,411**	1,166	1,058
Interests in joint ventures and associates	14	**203**	298	301
Other investments	15	**1,149**	1,049	881
Post-employment benefit assets	24	**542**	525	649
Trade and other receivables	16	**410**	309	180
Deferred tax assets	6	**179**	237	256
Derivative financial instruments	20	**69**	55	85
Non-current assets		**16,856**	14,532	13,465
Current assets				
Inventories	17	**734**	692	570
Trade and other receivables	16	**5,686**	5,094	4,452
Tax recoverable		**141**	109	119
Cash and cash equivalents	18	**623**	1,029	2,214
Derivative financial instruments	20	**36**	22	79
		7,220	6,946	7,434
Assets held for sale	27	**273**	5	29
Current assets		**7,493**	6,951	7,463
Total assets		**24,349**	21,483	20,928
Current liabilities				
Borrowings	19	**(822)**	(1,327)	(774)
Lease liabilities	12	**(273)**	(237)	(216)
Derivative financial instruments	20	**(21)**	(45)	(6)
Provisions	23	**(370)**	(284)	(301)
Current tax liabilities		**(235)**	(261)	(274)
Trade and other payables	22	**(8,172)**	(7,166)	(6,281)
		(9,893)	(9,320)	(7,852)
Liabilities held for sale	27	**(179)**	–	–
Current liabilities		**(10,072)**	(9,320)	(7,852)
Non-current liabilities				
Borrowings	19	**(3,774)**	(2,787)	(3,651)
Lease liabilities	12	**(1,042)**	(916)	(803)
Derivative financial instruments	20	**(187)**	(253)	(265)
Post-employment benefit obligations	24	**(1,274)**	(983)	(847)
Provisions	23	**(344)**	(349)	(346)
Deferred tax liabilities	6	**(287)**	(132)	(178)
Trade and other payables	22	**(463)**	(443)	(395)
Non-current liabilities		**(7,371)**	(5,863)	(6,485)
Total liabilities		**(17,443)**	(15,183)	(14,337)
Net assets		**6,906**	6,300	6,591
Equity				
Share capital	25	**346**	346	346
Share premium		**317**	317	317
Other reserves	25	**4,592**	4,582	5,559
Retained earnings		**1,574**	1,018	325
Total equity shareholders' funds		**6,829**	6,263	6,547
Non-controlling interests		**77**	37	44
Total equity		**6,906**	6,300	6,591

1. See note 1.

The accompanying notes form part of these consolidated financial statements.

Approved by the Board of Directors on 26 November 2024 and signed on its behalf by:

Dominic Blakemore, Director
Petros Parras, Director

Consolidated cash flow statement for the year ended 30 September 2024

	Notes	2024 $m	Restated[1] 2023 $m
Cash flow from operating activities			
Cash generated from operations	28	**4,095**	3,283
Interest paid		**(267)**	(208)
Tax received		**18**	31
Tax paid		**(711)**	(570)
Net cash flow from operating activities		**3,135**	2,536
Cash flow from investing activities			
Purchase of subsidiary companies	27	**(784)**	(389)
Purchase of interests in joint ventures and associates	14	**(9)**	(9)
Net proceeds from sale of subsidiary companies, joint ventures and associates net of exit costs[2]	27	**225**	58
Purchase of intangible assets		**(329)**	(263)
Purchase of contract fulfilment assets		**(508)**	(380)
Purchase of property, plant and equipment		**(572)**	(445)
Proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets		**81**	78
Purchase of other investments	15	**(2)**	(4)
Proceeds from sale of other investments[3]		**330**	4
Dividends received from joint ventures and associates	14	**65**	60
Interest received		**39**	61
Loans to third parties		**(25)**	–
Net cash flow from investing activities		**(1,489)**	(1,229)
Cash flow from financing activities			
Purchase of own shares – share buyback		**(577)**	(1,148)
Purchase of own shares – employee share-based payments		**–**	(19)
Increase in borrowings		**1,381**	1
Repayment of borrowings		**(1,161)**	(543)
Repayment of borrowings acquired through business acquisitions	27	**(431)**	–
Net cash flow from derivative financial instruments		**46**	157
Repayment of principal under lease liabilities		**(227)**	(215)
Purchase of non-controlling interests		**–**	(10)
Dividends paid to equity shareholders	8	**(963)**	(796)
Dividends paid to non-controlling interests		**(10)**	(7)
Net cash flow from financing activities	29	**(1,942)**	(2,580)
Cash and cash equivalents			
Net decrease in cash and cash equivalents		**(296)**	(1,273)
Cash and cash equivalents at 1 October		**830**	1,934
Currency translation gains on cash and cash equivalents		**59**	169
		593	830
Cash reclassified to held for sale		**(40)**	–
Cash and cash equivalents at 30 September		**553**	830
Cash and cash equivalents[4]	18	**623**	1,029
Bank overdrafts[4]	19	**(70)**	(199)
Cash and cash equivalents at 30 September		**553**	830

1. See note 1.
2. 2024 includes $35m of tax payments arising on the disposal of businesses.
3. 2024 includes $327m received in respect of the sale of the Group's 19% effective interest in ASM Global Parent, Inc. in August 2024.
4. As per the consolidated balance sheet.

The accompanying notes form part of these consolidated financial statements.

Notes to the consolidated financial statements for the year ended 30 September 2024

1 Basis of preparation

Introduction

The consolidated financial statements of Compass Group PLC (the Company) have been prepared on a going concern basis, as discussed on page 145, in accordance with UK-adopted International Accounting Standards. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial instruments.

Change in reporting currency

With effect from 1 October 2023, the reporting currency of the Group was changed from sterling to US dollars. The change in presentation currency provides investors and other stakeholders with greater transparency in relation to the Group's performance and reduces foreign exchange volatility on earnings given that approximately three-quarters of the Group's underlying operating profit originates in US dollars. The amounts for prior periods have been translated into US dollars at average exchange rates for the relevant periods for income statements and cash flows, with spot rates used for significant transactions, and at the exchange rates on the relevant balance sheet dates for assets and liabilities. Share capital, share premium and other equity items have been translated into US dollars at historical exchange rates either at 1 October 2004, the date of transition to International Financial Reporting Standards (IFRS), or on the date of each relevant transaction.

Consolidation

The consolidated financial statements of the Company are prepared in US dollars, which is different from its functional currency. The functional currency of the Company is sterling as this is the currency of the primary economic environment in which it operates.

The consolidated financial statements consolidate the results of the Company and entities controlled by the Company (its subsidiaries), and include the Group's share of the results of its interests in joint ventures and associates using the equity method.

Subsidiaries are entities over which the Company has control. Control exists when the Company has power over an entity, exposure to variable returns from its involvement with an entity and the ability to use its power over the entity to affect its returns. The existence and effect of potential voting rights that are currently exercisable or convertible are also considered when assessing control.

Where necessary, adjustments are made to the financial statements of subsidiaries, joint ventures and associates to bring the accounting policies used in line with those used by the Group.

The results of subsidiaries, joint ventures and associates acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Where a subsidiary transacts with a joint operation of the Group, profits or losses are eliminated to the extent of the Group's interest in the relevant joint operation.

In preparing the financial statements of individual companies within the Group, transactions in currencies other than the companies' functional currency are recorded at the rates of exchange on the dates of the transaction. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates on the balance sheet date. Gains and losses arising on retranslation are included in the consolidated income statement for the year, except where they arise on items taken directly to other comprehensive income, in which case they are also recognised in the consolidated statement of comprehensive income.

On consolidation, the assets and liabilities of the Group's overseas operations (expressed in their functional currencies, being the currency of the primary economic environment in which each entity operates) are translated at the exchange rates on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or expense in the period in which the operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rate.

Whilst Türkiye has been a hyperinflationary economy since 2022, IAS 29 Financial Reporting in Hyperinflationary Economies has not been applied as it would not have a significant impact on the Group's consolidated financial statements.

Significant accounting policies

The significant accounting policies applied in the preparation of these consolidated financial statements are set out in the relevant notes. These policies have been applied consistently to all the years presented, unless otherwise stated.

Significant accounting policies are indicated by the following icon:

Significant accounting policy

Changes in accounting policies

There were no new accounting standards or amendments to existing standards effective in the current year that had a significant impact on the Group's consolidated financial statements. There are a number of changes to accounting standards, effective in future years, which are not expected to significantly impact the Group's consolidated financial statements.

Judgements

The preparation of the consolidated financial statements requires management to make judgements in respect of the application of its accounting policies which impact the reported amounts of assets, liabilities, income and expenses.

Whilst there are no judgements that management considers to be critical in the preparation of these financial statements, there is a significant judgement in respect of the classification of cash payments relating to contract fulfilment assets in the cash flow statement (see note 11).

Estimates

The preparation of the consolidated financial statements requires management to make estimates which impact the reported amounts of assets, liabilities, income and expenses. These estimates are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Sources of estimation uncertainty are indicated by the following icon:

Source of estimation uncertainty

1 Basis of preparation continued

Major sources of estimation uncertainty

The Group's major sources of estimation uncertainty are in relation to goodwill in the UK cash-generating unit and post-employment benefit obligations on the basis that a reasonably possible change in key assumptions could have a material effect on the carrying amounts of assets and liabilities in the next 12 months (see notes 9 and 24, respectively).

Other sources of estimation uncertainty

In addition to the major sources of estimation uncertainty, tax and acquisition intangibles have been identified as additional sources of estimation uncertainty. Whilst not considered to be major sources of uncertainty as defined by IAS 1 Presentation of Financial Statements, the recognition and measurement of certain material assets and liabilities are based on assumptions and/or are subject to longer-term uncertainties (see notes 6 and 10).

Climate change

Climate change is identified as a principal risk as its impact on the environment may lead to issues around food sourcing and security, and supply chain continuity in some of the Group's markets (see page 24). The potential impact of climate change has been assessed with scenario analysis conducted in line with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations (see pages 47 and 48). The Group has a commitment to reach climate net zero greenhouse gas (GHG) emissions across its global operations and value chain by 2050 (see page 48). Climate change considerations are indicated by the following icon:

Climate change

The potential impact of climate change and the Group's net zero commitments on the following areas has been considered:

- going concern (see below) and viability (see page 29) assessments
- tax (see note 6)
- goodwill (see note 9)
- other intangible assets (see note 10)
- post-employment benefits (see note 24)

There was no impact on the reported amounts in the financial statements as a result of this review.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 1 to 53. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are discussed in the Financial Review on pages 15 to 20.

The directors consider it appropriate to prepare the financial statements on a going concern basis for the reasons stated below.

At 30 September 2024, the Group's financing arrangements included sterling and euro bonds ($3.9bn) and US dollar US Private Placement (USPP) notes ($0.7bn). In addition, the Group had a Revolving Credit Facility of $2.7bn, committed to August 2026, which was fully undrawn, and $0.6bn of cash, net of overdrafts. With the exception of a €296m ($321m) payment to acquire Dupont Restauration on 31 October 2024 (see note 33), the liquidity position of the Group has remained substantially unchanged at the date of approving these consolidated financial statements.

For the purposes of the going concern assessment, the directors have prepared monthly cash flow projections for the period to 31 March 2026 (the assessment period) from the most recent three-year strategic plan approved by the Board in November 2024. The directors consider 18 months to be a reasonable period for the going concern assessment as it enables them to consider the potential impact of macroeconomic and geopolitical factors over an extended period.

Debt maturities in the going concern period include, in December 2024, a $100m USPP note and, in September 2025, a £250m ($335m) Eurobond and $300m USPP note. No additional refinancing of debt is assumed in the going concern assessment.

The USPP notes are subject to leverage and interest cover covenants which are tested on 31 March and 30 September each year. The Group met both covenants at 30 September 2024. The Group's other financing arrangements do not contain any financial covenants.

The cash flow projections show that the Group has significant headroom against its committed facilities and meets its financial covenant obligations under the USPP notes without any refinancing.

The Group has performed a stress test against the base case to determine the performance level that would result in a reduction in headroom against its committed facilities to nil or a breach of its covenants. The Group's committed facilities would be reached in the event that underlying operating profit reduced by more than 40% of the strategic plan level. The directors do not consider this scenario to be likely. The stress test assumes no new business acquisitions (with the exception of Dupont Restauration in October 2024 and 4Service AS in 2025) as a mitigating action.

Consequently, the directors are confident that the Group and Parent Company will have sufficient funds to continue to meet their liabilities as they fall due for at least the period to 31 March 2026 and, therefore, have prepared the financial statements on a going concern basis.

Climate change

Climate change and the Group's net zero commitments are not expected to have a material impact during the going concern period.

2 Segmental analysis

Significant accounting policy

Segmental information
The segmental information presented is consistent with management reporting provided to the Executive Committee (the chief operating decision maker). The Executive Committee monitors the underlying revenue and operating profit of its three geographical segments, North America, Europe and Rest of World, to assess performance and allocate resources. The Group also has a separate segment for central activities which includes costs in respect of central functions, including finance, legal, commercial, IT and human resources. Underlying revenue and operating profit are reconciled to GAAP measures below. Finance costs and income tax expense are managed on a Group basis.

Revenue
Revenue represents income derived from contracts for the provision of food and support services by the Group to customers in exchange for consideration in the normal course of business. The Group's revenue is comprised of revenues under its contracts with clients. Clients engage the Group to provide food and support services at their locations. Depending on the type of client and service, we are paid either by our client and/or directly by the consumers to whom we have been provided access by our client, such as the client's employees, visitors, pupils, patients and spectators. Payment terms are set at contract level and vary according to country, sector and individual client.

Performance obligations
At contract inception, the contract is assessed to identify each promise to transfer either a distinct good or service or a series of distinct goods or services that are substantially the same and have the same pattern of transfer to the customer. Goods and services are distinct and accounted for as separate performance obligations in the contract if the customer can benefit from them either on their own or together with other resources that are readily available to the customer and they are separately identifiable in the contract.

Transaction price
The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods and services to the customer, excluding value-added tax and similar sales taxes. For example, the transaction price may be based on a price per meal, which may vary with volume, or could be based on costs incurred plus an agreed management fee.

The Group makes a variety of ongoing payments to clients, mainly commissions, concession rentals and reimbursement of utility costs. These are assessed for treatment as consideration paid to customers, and where they are not in exchange for a distinct good or service, they are recognised as a reduction of the transaction price. In addition, the Group may make a payment to a client typically at the start of a contract which is not an investment in service assets and does not generate or enhance the Group's resources. Such payments are reported as prepayments and, as they are not considered to be in exchange for a distinct good or service, they are charged to the income statement as a deduction to revenue recognised over the contract term rather than as an operating cost.

Revenue recognition
The Group recognises revenue when its performance obligations are satisfied as control of the goods and services is transferred to the client and/or consumers. In certain cases, clients engage the Group to provide food and support services in a single multi-service contract. Revenue is recognised for each separate performance obligation in respect of food and support services as these are provided. There is little judgement involved in determining if a performance obligation has been satisfied.

For each performance obligation in a contract, the Group determines whether it is satisfied over time or at a point in time.

The Group has determined that most of its performance obligations are satisfied over time as the client simultaneously receives and consumes the benefits provided as the food and/or support services are rendered at the client site. Generally, where the Group has the obligation to its clients to make available the provision of food service for a predetermined period, its performance obligation represents a series of services delivered over time. Revenue is recognised at the amount which the Group has the right to invoice, where that amount corresponds directly with the value to the customer of the Group's performance completed to date. Where the Group is contracted to sell directly to consumers, for example, in a retail café concession, the performance obligation is satisfied at a point in time, namely when the products are sold to the consumer.

The nature, amount, timing and uncertainty of revenue and cash flows for performance obligations within a contract that are satisfied over time and at a point in time are considered to be similar and they are affected by the same economic factors.

Operating profit
Operating profit is stated after the share of profit after tax of joint ventures and associates, and before finance costs.

Specific adjusting items
Specific adjusting items are disclosed and described separately in the consolidated financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. Specific adjusting items are material items of income or expense that have been shown separately due to the significance of their nature or amount. Further details are provided in note 34.

2 Segmental analysis continued

Revenue by sector and geographical segment[1,2]	Geographical segments North America $m	Europe $m	Rest of World $m	Total $m
Year ended 30 September 2024				
Business & Industry	**9,912**	**4,720**	**1,284**	**15,916**
Education	**5,932**	**1,393**	**259**	**7,584**
Healthcare & Senior Living	**7,991**	**1,479**	**503**	**9,973**
Sports & Leisure	**4,396**	**1,317**	**163**	**5,876**
Defence, Offshore & Remote	**350**	**978**	**1,499**	**2,827**
Underlying revenue[3,4]	**28,581**	**9,887**	**3,708**	**42,176**
Less: Share of revenue of joint ventures	**(24)**	**(150)**	**–**	**(174)**
Revenue	**28,557**	**9,737**	**3,708**	**42,002**
Year ended 30 September 2023 (restated[5])				
Business & Industry	8,078	3,985	1,360	13,423
Education	5,481	1,239	257	6,977
Healthcare & Senior Living	7,424	1,352	518	9,294
Sports & Leisure	4,409	1,123	162	5,694
Defence, Offshore & Remote	376	899	1,553	2,828
Underlying revenue[3,4]	25,768	8,598	3,850	38,216
Less: Share of revenue of joint ventures	(23)	(286)	–	(309)
Revenue	25,745	8,312	3,850	37,907

1. There is no inter-segment trading.
2. An analysis of revenue recognised over time and at a point in time is not provided on the basis that the nature, amount, timing and uncertainty of revenue and cash flows are considered to be similar.
3. Revenue plus share of revenue of joint ventures.
4. Underlying revenue arising in the UK, the Group's country of domicile, was $3,461m (2023: $2,915m). Underlying revenue arising in the US region was $27,136m (2023: $24,456m). Underlying revenue arising in all countries outside the UK from which the Group derives revenue was $38,715m (2023: $35,301m).
5. See note 1.

Profit by geographical segment	Geographical segments North America $m	Europe $m	Rest of World $m	Central activities $m	Total $m
Year ended 30 September 2024					
Underlying operating profit/(loss) before results of joint ventures and associates	**2,313**	**560**	**224**	**(144)**	**2,953**
Add: Share of profit before tax of joint ventures	**1**	**16**	**–**	**–**	**17**
Add: Share of results of associates	**21**	**7**	**–**	**–**	**28**
Underlying operating profit/(loss)[1]	**2,335**	**583**	**224**	**(144)**	**2,998**
Less: Acquisition-related charges[2]	**(84)**	**(151)**	**–**	**–**	**(235)**
Less: Charges related to the strategic portfolio review[2]	**–**	**(43)**	**–**	**(127)**	**(170)**
Less: One-off pension charge[2]	**–**	**(8)**	**–**	**–**	**(8)**
Less: Tax on share of profit of joint ventures[2]	**–**	**(1)**	**–**	**–**	**(1)**
Operating profit/(loss)	**2,251**	**380**	**224**	**(271)**	**2,584**
Net loss on sale and closure of businesses[2]					**(203)**
Finance costs					**(325)**
Profit before tax					**2,056**
Income tax expense					**(642)**
Profit for the year					**1,414**

1. Operating profit excluding specific adjusting items (see note 34).
2. Specific adjusting item (see note 34).

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

2 Segmental analysis continued

Profit by geographical segment	Geographical segments North America $m	Europe $m	Rest of World $m	Central activities $m	Total $m
Year ended 30 September 2023 (restated[1])					
Underlying operating profit/(loss) before results of joint ventures and associates	2,001	429	214	(120)	2,524
Add: Share of profit before tax of joint ventures	1	35	–	–	36
Add: Share of results of associates	17	15	–	–	32
Underlying operating profit/(loss)[2]	2,019	479	214	(120)	2,592
Less: Acquisition-related charges[3]	(88)	(56)	(9)	–	(153)
Less: Charges related to the strategic portfolio review[3]	–	(118)	–	–	(118)
Less: One-off pension charge[3]	–	(8)	–	–	(8)
Operating profit/(loss)	1,931	297	205	(120)	2,313
Net gain on sale and closure of businesses[3]					24
Finance costs					(200)
Profit before tax					2,137
Income tax expense					(525)
Profit for the year					1,612

1. See note 1.
2. Operating profit excluding specific adjusting items (see note 34).
3. Specific adjusting item (see note 34).

Assets and liabilities by geographical segment	Geographical segments North America $m	Europe $m	Rest of World $m	Unallocated Central activities $m	Current and deferred tax $m	Net debt $m	Total $m
At 30 September 2024							
Total assets[1]	**13,787**	**7,577**	**1,218**	**719**	**320**	**728**	**24,349**
Total liabilities[1]	**(6,869)**	**(2,663)**	**(801)**	**(469)**	**(522)**	**(6,119)**	**(17,443)**
Net assets/(liabilities)	**6,918**	**4,914**	**417**	**250**	**(202)**	**(5,391)**	**6,906**
Total assets include:							
Interests in joint ventures and associates	**58**	**145**	**–**	**–**	**–**	**–**	**203**
Non-current assets[2]	**9,860**	**5,596**	**473**	**679**	**179**	**69**	**16,856**
At 30 September 2023 (restated[3])							
Total assets	12,127	5,722	1,404	778	346	1,106	21,483
Total liabilities	(5,869)	(1,967)	(956)	(433)	(393)	(5,565)	(15,183)
Net assets/(liabilities)	6,258	3,755	448	345	(47)	(4,459)	6,300
Total assets include:							
Interests in joint ventures and associates	74	224	–	–	–	–	298
Non-current assets[2]	8,748	4,147	591	754	237	55	14,532

1. Rest of World includes assets and liabilities held for sale in respect of Chile, Colombia and Mexico (see note 27).
2. Non-current assets located in the UK, the Group's country of domicile, were $3,325m (2023: $2,414m). Non-current assets located in the US region were $9,162m (2023: $8,182m). Non-current assets located in all countries outside the UK in which the Group holds assets were $13,531m (2023: $12,118m).
3. See note 1.

2 Segmental analysis continued

Other segmental disclosures	Notes	Geographical segments North America $m	Europe $m	Rest of World $m	Central activities $m	Total $m
Year ended 30 September 2024						
Additions to other intangible assets	10	**239**	**57**	**6**	**27**	**329**
Additions to contract fulfilment assets	11	**495**	**9**	**10**	–	**514**
Additions to right-of-use assets	12	**169**	**83**	**10**	–	**262**
Additions to property, plant and equipment	13	**357**	**171**	**44**	–	**572**
Amortisation of other intangible assets[1]	10	**200**	**99**	**8**	**5**	**312**
Amortisation of contract fulfilment assets	11	**296**	**4**	**6**	–	**306**
Depreciation of right-of-use assets	12	**112**	**94**	**13**	**1**	**220**
Depreciation of property, plant and equipment	13	**226**	**107**	**40**	**1**	**374**
Impairment losses – strategic portfolio review	3	–	**29**	–	**127**	**156**
Impairment losses – other non-current assets	3	**1**	**2**	–	**7**	**10**
Impairment reversals – non-current assets	3	**(6)**	**(1)**	–	–	**(7)**
Other non-cash items[2]	26	**27**	**13**	**5**	**23**	**68**
Assets held for sale	27	–	–	**273**	–	**273**
Liabilities held for sale	27	–	–	**(179)**	–	**(179)**
Year ended 30 September 2023 (restated[3])						
Additions to other intangible assets	10	184	43	9	27	263
Additions to contract fulfilment assets	11	364	10	6	–	380
Additions to right-of-use assets	12	171	94	15	–	280
Additions to property, plant and equipment	13	261	135	49	–	445
Amortisation of other intangible assets[1]	10	172	67	12	5	256
Amortisation of contract fulfilment assets	11	274	4	4	–	282
Depreciation of right-of-use assets	12	96	89	13	1	199
Depreciation of property, plant and equipment	13	202	89	45	1	337
Impairment losses – strategic portfolio review	3	–	60	–	–	60
Impairment losses – goodwill	9	–	–	6	–	6
Impairment losses – other non-current assets	3	12	–	–	–	12
Impairment reversals – non-current assets	3	–	(2)	–	–	(2)
Other non-cash items[2]	26	23	11	5	15	54
Assets held for sale		–	–	5	–	5

1. Including the amortisation of acquisition intangibles.
2. Other non-cash items represent share-based payment charges.
3. See note 1.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

3 Operating costs

Operating costs	Notes	2024 $m	Restated[1] 2023 $m
Food and materials			
Cost of inventories consumed		**11,482**	10,569
Labour			
Employee remuneration	4	**19,598**	17,625
Overheads			
Commissions and fees paid to clients		**1,811**	1,685
Expense relating to short-term leases, low-value assets and variable lease payments	12	**192**	182
Amortisation – other intangible assets	10	**150**	134
Amortisation – contract fulfilment assets	11	**306**	282
Depreciation – right-of-use assets	12	**220**	199
Depreciation – property, plant and equipment	13	**374**	337
Impairment losses – non-current assets		**10**	12
Impairment reversals – non-current assets		**(7)**	(2)
Net impairment losses – trade and other receivables	16	**44**	42
Acquisition-related charges (see below)[2]	34	**235**	153
Charges related to the strategic portfolio review (see below)[2]	34	**170**	118
Audit and non-audit services (see below)		**11**	10
Other		**4,866**	4,316
Total		**39,462**	35,662

1. See note 1.
2. Specific adjusting item (see note 34).

Acquisition-related charges

Represent amortisation and impairment charges in respect of intangible assets acquired through business combinations, direct costs incurred through business combinations or other strategic asset acquisitions, business integration costs, changes in consideration in relation to past acquisition activity and other acquisition-related items.

Acquisition-related charges	Notes	2024 $m	Restated[1] 2023 $m
Amortisation – acquisition intangibles	10	**162**	122
Impairment losses – goodwill	9	**–**	6
Acquisition transaction costs	27	**41**	21
Adjustment to contingent consideration payable on business acquisitions	21	**67**	4
Gains on bargain purchases	27	**(35)**	–
Total		**235**	153

1. See note 1.

Charges related to the strategic portfolio review

As part of our strategic portfolio review, and considering country exits, ongoing advancement of technologies and the increased decentralisation of our business, we have reviewed our European regional business transformation ERP programme that commenced a number of years ago. We have decided to discontinue the implementation and roll out of our cross-market ERP programme and, accordingly, have recognised a charge of $160m as a specific adjusting item, which includes $146m for the non-cash impairment of work-in-progress head office (non-client-related) computer software assets. An impairment charge of $10m has been recognised in respect of our business in Qatar.

In 2023, charges related to the strategic portfolio review reflect the impact of site closures and contract renegotiations and terminations in the UK.

Charges related to the strategic portfolio review	Notes	2024 $m	Restated[1] 2023 $m
Other intangible assets	10	**146**	–
Right-of-use assets	12	**–**	52
Property, plant and equipment	13	**–**	8
Joint ventures and associates	14	**10**	–
Impairment losses		**156**	60
Write-off – other receivables		**–**	25
Onerous contracts and other costs – provisions	23	**14**	24
Other costs – other payables		**–**	9
Total		**170**	118

1. See note 1.

3 Operating costs continued

Audit and non-audit services

Audit and non-audit services	2024 $m	Restated[1] 2023 $m
Fees payable for the audit of the Company and consolidated financial statements	**2.4**	2.3
Fees payable for the audit of the Company's subsidiaries and joint ventures	**7.3**	7.1
Audit services	**9.7**	9.4
Audit-related assurance	**0.9**	0.4
Non-audit services	**0.9**	0.4
Total	**10.6**	9.8

1. See note 1.

4 Employees

Average number of employees, including directors and part-time employees	2024	2023
North America	**292,993**	276,378
Europe	**176,765**	172,198
Rest of World	**109,368**	113,884
Total	**579,126**	562,460

Aggregate remuneration of all employees, including directors	Notes	2024 $m	Restated[1] 2023 $m
Wages and salaries		**16,594**	14,998
Social security costs		**2,606**	2,282
Share-based payments	26	**68**	54
Pension costs – defined contribution plans	24	**289**	254
Pension costs – defined benefit plans	24	**41**	37
Total		**19,598**	17,625

1. See note 1.

In addition to the pension costs shown in operating costs above, there is an interest charge on net post-employment benefit obligations of $29m (2023: $11m).

The remuneration of directors and key management personnel[1] is set out below. Additional information on directors' and key management remuneration, long-term incentive plans, pension contributions and entitlements can be found in the audited section of the Directors' Remuneration Report on pages 86 to 118 and forms part of these accounts.

Remuneration of key management personnel[1]	2024 $m	Restated[2] 2023 $m
Salaries	**10.7**	10.1
Other short-term employee remuneration	**15.0**	13.7
Share-based payments	**19.2**	12.0
Pension salary supplement	**0.4**	0.5
Total	**45.3**	36.3

1. Key management personnel is defined as the Board and the individuals who made up the Executive Committee from time to time during the year, more details of which can be found on pages 56 to 61.
2. See note 1.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

5 Finance costs

Significant accounting policy

Finance income and expenses are recognised in the income statement in the period in which they are incurred.

Finance costs	Notes	2024 $m	Restated[1] 2023 $m
Interest on cash and cash equivalents		**30**	53
Other		**7**	6
Finance income		**37**	59
Interest on bank loans and overdrafts		**(4)**	(2)
Interest on other borrowings[2]		**(207)**	(158)
Interest on lease liabilities	12	**(65)**	(50)
Net present value adjustments[3]	21, 23	**(10)**	(15)
Finance expense		**(286)**	(225)
Net present value adjustments[3]	21	**(9)**	–
Acquisition-related charges[4]		**(9)**	–
Net (losses)/gains on derivative financial instruments in a fair value hedge		**(3)**	1
Net losses on derivative financial instruments in a net investment hedge		**(5)**	–
Net losses on derivative financial instruments at fair value through profit or loss		**(61)**	(40)
Change in fair value of financial assets at fair value through profit or loss	15	**2**	(9)
Dividends received from Rabbi Trust investments	15	**28**	23
Interest on net post-employment benefit obligations	24	**(29)**	(11)
Other		**1**	2
Other financing items[4]		**(67)**	(34)
Total		**(325)**	(200)

1. See note 1.
2. Includes interest expense on derivative financial instruments in a fair value hedge of $95m (2023: $83m), interest expense on derivative financial instruments in a net investment hedge of $8m (2023: $nil) and interest income on derivative financial instruments at fair value through profit or loss of $49m (2023: $57m).
3. From 2024, net present value adjustments on deferred and contingent consideration payable on business acquisitions are classified as a specific adjusting item. Net present value adjustments on deferred and contingent consideration payable on business acquisitions were $6m in 2023 (see note 21).
4. Specific adjusting item (see note 34).

6 Tax

Significant accounting policy

Income tax expense comprises current and deferred tax. Tax is recognised in the consolidated income statement except where it relates to items taken directly to the consolidated statement of comprehensive income or equity, in which case it is recognised in the consolidated statement of comprehensive income or equity as appropriate.

Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates that have been enacted or substantively enacted in respect of that period at the balance sheet date. Tax benefits are recognised if it is probable that these will be accepted by the relevant tax authorities. Subsequently, they are reviewed each year to assess whether provisions against full recognition of the benefits are necessary.

Deferred tax

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint arrangements, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the enacted or substantively enacted tax rates that are expected to apply in the period when the liability is settled or the asset realised.

Deferred tax assets and liabilities are offset against each other when they relate to income taxes levied by the same tax jurisdiction and the Group intends to settle its current tax assets and liabilities on a net basis.

Other source of estimation uncertainty

The Group has operations in around 30 countries. The tax position in each country is often not agreed with the tax authorities until some time after the relevant period end and, if subject to a tax audit, may be open for an extended period. In these circumstances, the recognition of tax liabilities and assets requires management estimation to reflect a variety of factors, including historical experience, interpretations of tax law and the likelihood of settlement.

The international corporate tax environment remains complex and the sustained increase in audit activity from tax authorities means that the potential for tax uncertainties and disputes remains high. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the results in the year in which such determination is made. In addition, the calculation and recognition of temporary differences giving rise to deferred tax assets requires estimates to be made of the extent to which future taxable profits are available against which these temporary differences can be utilised.

Uncertain tax positions

Tax risk can arise from unclear regulations and differences in interpretation but, most significantly, where tax authorities apply diverging standards in assessing intra-group cross-border transactions. The Group has recognised provisions in respect of uncertain tax positions, none of which is individually material. In determining such liabilities, the Group assesses the range of potential outcomes and estimates whether additional tax may be due.

The Group is currently subject to audits and reviews in a number of countries that primarily relate to complex corporate tax issues.

The UK tax authority’s inquiry into an intra-group refinancing was resolved during the year consistent with the provision previously held.

The Group does not currently anticipate any material changes to the amounts recorded at 30 September 2024.

6 Tax continued

Other source of estimation uncertainty (continued)

Deferred tax assets

Deferred tax assets of $179m (2023: $237m) include $80m (2023: $103m) relating to the carry forward of unused tax losses. It is considered probable that sufficient taxable profits over a period of between one and five years will be available against which the unused tax losses can be utilised. In evaluating whether sufficient taxable profits will be available in the future, forecasts have been derived from the most recent three-year strategic plan approved by management adjusted for the effect of applicable tax laws and regulations relevant to those future taxable profits. No reasonably possible change in any of the key assumptions would result in a significant reduction in projected taxable profits such that the recognised deferred tax assets would not be realised.

Climate change

Climate change and the Group's net zero commitments are not expected to have a material impact on taxable profits over the period during which deferred tax assets are expected to be utilised.

Income tax expense

Income tax expense	2024 $m	Restated[1] 2023 $m
Current tax		
Current year	**703**	593
Adjustment in respect of prior years	**(38)**	(47)
Current tax expense	**665**	546
Deferred tax		
Current year	**(39)**	(12)
Impact of changes in statutory tax rates	**–**	(1)
Adjustment in respect of prior years	**16**	(8)
Deferred tax credit	**(23)**	(21)
Total	**642**	525

1. See note 1.

The income tax expense for the year is based on the effective UK statutory rate of corporation tax for the period of 25% (2023: 22%). Overseas tax is calculated at the rates prevailing in the respective jurisdictions.

The income tax effects of the adjustments between statutory and underlying results are shown in note 34 to the consolidated financial statements.

Reconciliation of effective tax rate	2024 $m	Restated[1] 2023 $m
Profit before tax	**2,056**	2,137
Notional income tax expense at the effective UK statutory rate of 25% (2023: 22%) on profit before tax	**514**	470
Effect of different tax rates of subsidiaries operating in other jurisdictions	**45**	71
Impact of changes in statutory tax rates	**–**	(1)
Permanent differences	**103**	37
Tax on profit of joint ventures and associates	**1**	–
Losses and other temporary differences not previously recognised	**–**	(1)
Unrelieved current year tax losses	**1**	4
Prior year items	**(22)**	(55)
Income tax expense	**642**	525

1. See note 1.

Permanent differences include the current year movement in our estimated liability for uncertain tax positions, the benefit of tax credits and the tax effect of non-deductible expenditure, including losses arising on disposals. Prior year items relate to the reassessment of prior year tax estimates and the resolution of open items.

The global nature of the Group's operations gives rise to various factors which could affect the future tax rate. These include the mix of profits, changes to overseas statutory tax rates or tax legislation and the foreign exchange rates applicable when those profits are translated into US dollars. The UK government enacted an increase in the UK corporation tax rate from 19% to 25% with effect from 1 April 2023. In addition, the future tax charge may be affected by the impact of acquisitions, disposals or other restructuring activities and the resolution of open issues with tax authorities.

6 Tax continued

Tax charged/(credited) to other comprehensive income

Tax charged/(credited) to other comprehensive income	2024 $m	Restated[1] 2023 $m
Current and deferred tax credit on actuarial and other movements on post-employment benefits	**(11)**	(53)
Deferred tax charge on change in fair value of financial assets at fair value through other comprehensive income	**48**	17
Current tax credit on foreign exchange movements	**(2)**	(4)
Total	**35**	(40)

1. See note 1.

Tax credited to equity

Tax credited to equity	2024 $m	Restated[1] 2023 $m
Current and deferred tax credit on share-based payments	**(8)**	(4)
Total	**(8)**	(4)

1. See note 1.

Deferred tax

Movement in net deferred tax asset/(liability)	Tax depreciation $m	Intangibles and contract fulfilment assets $m	Net pensions and post-employment benefits $m	Tax losses $m	Net self-funded insurance provisions $m	Net short-term temporary differences $m	Total $m
At 1 October 2022 (restated[1])	(63)	(496)	78	106	105	348	78
Credit/(charge) to income	12	7	10	(11)	5	(2)	21
Credit/(charge) to other comprehensive income/equity	–	–	53	–	–	(15)	38
Business acquisitions	–	(22)	–	–	–	(1)	(23)
Sale and closure of businesses	–	–	–	–	–	(1)	(1)
Reclassification	5	(2)	–	1	–	(4)	–
Exchange adjustment	6	(7)	(16)	7	–	2	(8)
At 30 September 2023 (restated[1])	(40)	(520)	125	103	110	327	105
(Charge)/credit to income	**(22)**	**(2)**	**18**	**(16)**	**4**	**41**	**23**
Credit/(charge) to other comprehensive income/equity	–	–	**14**	–	–	**(48)**	**(34)**
Business acquisitions	–	**(173)**	–	**(2)**	–	**2**	**(173)**
Sale and closure of businesses	–	–	–	–	–	**(14)**	**(14)**
Transfer to held for sale	**(1)**	–	–	**(6)**	–	**(10)**	**(17)**
Reclassification	**1**	–	–	**(1)**	–	**14**	**14**
Exchange adjustment	**6**	**(16)**	**(11)**	**2**	–	**7**	**(12)**
At 30 September 2024	**(56)**	**(711)**	**146**	**80**	**114**	**319**	**(108)**

1. See note 1.

Net short-term temporary differences relate principally to provisions and other liabilities of overseas subsidiaries. After netting off balances within countries, the following are the deferred tax assets and liabilities recognised in the consolidated balance sheet:

Net deferred tax balance	2024 $m	Restated[1] 2023 $m
Deferred tax assets	**179**	237
Deferred tax liabilities	**(287)**	(132)
Net deferred tax (liability)/asset	**(108)**	105

1. See note 1.

Deferred tax assets have not been recognised in respect of tax losses of $101m (2023: $129m) and other temporary differences of $13m (2023: $26m). Of the unrecognised tax losses, $38m (2023: $61m) will expire at various dates between 2025 and 2032. These deferred tax assets have not been recognised as the timing of recovery is uncertain.

The Group does not recognise any deferred tax liability on temporary differences relating to potentially taxable unremitted earnings of overseas subsidiaries totalling $763m (2023: $730m) because it is able to control the timing of reversal of these differences. It is probable that no reversal will take place in the foreseeable future.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

6 Tax continued

Regulatory developments

The legislation implementing the Pillar Two Model Rules in the UK will apply from the financial year ending 30 September 2025. The Group is reviewing this legislation and also monitoring the status of implementation of the model rules worldwide. The impact is not expected to be material. The Group has applied the temporary exception under IAS 12 Income Taxes in relation to the accounting for deferred taxes arising from the implementation of the Pillar Two Model Rules.

7 Earnings per share

Significant accounting policy

Basic earnings per share is calculated based on profit for the year attributable to equity shareholders and the weighted average number of ordinary shares in issue during the year, which excludes shares held in treasury.

Diluted earnings per share is calculated based on the weighted average number of ordinary shares in issue during the year, adjusted to assume conversion of all the dilutive potential ordinary shares into ordinary shares.

Profit for the year attributable to equity shareholders	2024 $m	Restated[1] 2023 $m
Profit for the year attributable to equity shareholders	**1,404**	1,607

1. See note 1.

Weighted average number of ordinary shares	2024 Ordinary shares of $11^{1}/_{20}$p each millions	2023 Ordinary shares of $11^{1}/_{20}$p each millions
Weighted average number of ordinary shares for basic earnings per share	**1,705**	1,743
Dilutive effect of share-based payment plans	**2**	2
Weighted average number of ordinary shares for diluted earnings per share	**1,707**	1,745

Earnings per share	2024 cents	Restated[1] 2023 cents
Basic	**82.3**	92.2
Diluted	**82.2**	92.1

1. See note 1.

Underlying earnings per share for the year ended 30 September 2024 was 119.5c (2023: 105.2c). Underlying earnings per share is calculated based on earnings excluding the effect of acquisition-related charges, charges related to the strategic portfolio review, one-off pension charge, gains and losses on sale and closure of businesses and other financing items, together with the tax attributable to these amounts (see note 34).

8 Dividends

Significant accounting policy

Interim dividends are recognised in the financial statements when they are paid. Final dividends, which are subject to approval by the shareholders in a general meeting after the balance sheet date, are not included as a liability in the financial statements. Instead, they are disclosed as a post-balance sheet event and recognised in the financial statements when they are approved (see note 33).

A final dividend in respect of 2024 of 39.1c per share, $664m in aggregate[1], has been proposed, giving a total dividend in respect of 2024 of 59.8c per share (2023: 52.6c per share). The proposed final dividend is subject to approval by shareholders at the Annual General Meeting to be held on 6 February 2025.

Dividends on ordinary shares	2024 Dividends per share cents	2024 $m	Restated[2] 2023 Dividends per share cents	Restated[2] 2023 $m
Amounts recognised as distributions to equity shareholders during the year				
Final 2022	–	–	27.7	462
Interim 2023	–	–	17.9	334
Final 2023	**34.7**	**606**	–	–
Interim 2024	**20.7**	**357**	–	–
Total	**55.4**	**963**	45.6	796

1. Based on the number of ordinary shares in issue at 30 September 2024, excluding shares held in treasury and the Compass Group PLC All Share Schemes Trust (1,697m shares).
2. See note 1.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

9 Goodwill

Significant accounting policy

Goodwill arising on consolidation represents the excess of the cost of acquisition over the fair value of the Group's share of the identifiable assets and liabilities of the acquired subsidiary at the date of acquisition. Goodwill is tested annually for impairment and is carried at cost less any accumulated impairment losses.

Goodwill is allocated to the cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the acquisition, which is usually the geographical location of the operations of the Group. Goodwill is subsequently monitored and tested for impairment at the level at which it is allocated. Gains and losses on the disposal of businesses take account of the carrying amount of goodwill relating to the business sold, allocated where necessary on the basis of relative fair value, unless another method is determined to be more appropriate.

The recoverable amount of a CGU is determined based on value-in-use calculations. If the recoverable amount of a CGU is less than its carrying amount, an impairment loss is recognised in the consolidated income statement which is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU pro rata on the basis of the carrying amount of each asset in the CGU. An impairment loss recognised in respect of goodwill is not subsequently reversed.

Major source of estimation uncertainty

The value in use of the UK CGU is estimated for the purposes of impairment testing based on assumptions, including the most recent three-year strategic plan approved by management, long-term growth rates and discount rates. A reasonably possible change in the assumptions used to derive this estimate could have a material effect on the carrying amount of goodwill in the UK CGU in the next 12 months. The key assumptions used in the value-in-use calculations, together with sensitivity analysis, are set out below.

Climate change

The potential impact of climate change and the Group's net zero commitments on forecast cash flows beyond the Group's three-year planning period has been considered during impairment testing by including in the sensitivity analysis assumptions consistent with the quantitative scenario analysis performed for the Task Force on Climate-Related Financial Disclosures (see pages 47 and 48).

Goodwill	2024 $m	Restated[1] 2023 $m
Cost		
At 1 October	**6,748**	6,323
Business acquisitions	**618**	225
Sale and closure of businesses	**(78)**	(33)
Transfer to held for sale	**(14)**	–
Currency adjustment	**407**	233
At 30 September	**7,681**	6,748
Impairment		
At 1 October	**643**	608
Impairment	**–**	6
Sale and closure of businesses	**(7)**	–
Transfer to held for sale	**(1)**	–
Currency adjustment	**147**	29
At 30 September	**782**	643
Net carrying amount		
At 30 September	**6,899**	6,105

1. See note 1.

9 Goodwill continued

Goodwill by business segment	2024 $m	Restated[1] 2023 $m
US	2,961	2,889
Canada	328	265
North America	3,289	3,154
UK[2]	2,081	1,877
CH&CO[3]	352	–
Finland	159	151
HOFMANNS[3]	125	–
Other	629	602
Europe	3,346	2,630
Japan	121	116
Other	143	205
Rest of World	264	321
Total	6,899	6,105

1. See note 1.
2. Includes $1.7bn which arose in 2000 on the Granada transaction.
3. Goodwill recognised on the acquisition of CH&CO and HOFMANNS (see note 27) has not yet been allocated to the UK and Germany CGUs, respectively, pending completion of the integration of the businesses.

Impairment testing

The key assumptions used in the value-in-use calculations are operating cash flow forecasts from the most recent three-year strategic plan approved by management, adjusted to remove the expected benefits of future restructuring activities and improvements to assets, externally-derived long-term growth rates and pre-tax discount rates.

The strategic plan is based on expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth from both new business and like-for-like growth, and taking into consideration macroeconomic and geopolitical factors, including the impact of inflation.

Cash flows beyond the three-year period covered by the plan are extrapolated using estimated growth rates based on local expected economic conditions and do not exceed the long-term average growth rate for the country. Cash flow forecasts for a period of up to five years are used by exception to reflect the medium-term prospects of the business if the initial level of headroom in the impairment test for a country is low, with cash flows beyond five years extrapolated using estimated growth rates that do not exceed the long-term average growth rate for that country.

The pre-tax discount rates are based on the Group's Weighted Average Cost of Capital (WACC) adjusted for specific risks relating to the country in which the CGU operates. The beta and gearing ratio assumptions used in the calculation of the discount rates represent market participant measures based on the averages of a number of companies with similar assets.

Growth and discount rates	2024 Long-term growth rates	2024 Pre-tax discount rates	2023 Long-term growth rates	2023 Pre-tax discount rates
US	2.6%	11.3%	2.1%	11.3%
Canada	2.1%	11.5%	2.1%	11.8%
UK	2.0%	11.1%	2.1%	11.7%
Finland	2.0%	8.3%	2.0%	9.4%
Rest of Europe[1]	1.2% – 15.5%	10.3% – 27.1%	1.2% – 16.4%	10.7% – 31.3%
Japan	1.4%	10.5%	1.0%	10.6%
Rest of World	1.6% – 4.2%	10.3% – 15.9%	1.8% – 4.3%	10.6% – 20.2%

1. Rest of Europe includes Türkiye which has residual growth rate and pre-tax discount rate assumptions of 15.5% (2023: 16.4%) and 27.1% (2023: 31.3%), respectively. Excluding Türkiye, the residual growth rate and pre-tax discount rate assumptions for Rest of Europe range from 1.2% to 2.2% (2023: 1.2% to 2.5%) and 10.3% to 13.3% (2023: 10.7% to 14.6%), respectively.

Consistent with prior years, the goodwill impairment testing was performed as at 31 July. Subsequent to 31 July, management has considered whether there have been any indicators that the goodwill may be impaired. There was no impact on the reported amounts of goodwill as a result of this review.

9 Goodwill continued

Sensitivity analysis

The Group has performed a sensitivity analysis based on changes in key assumptions considered to be reasonably possible by management. There was no impact on the reported amounts of goodwill as a result of this review.

The UK CGU is sensitive to reasonably possible changes in key assumptions. Most of the UK goodwill arose in 2000 on the Granada transaction. The estimated recoverable amount of the Group's operations in the UK exceeds its carrying value by $512m (2023: $227m). The associated impact of changes in key assumptions on the impairment assessment is presented in the table below. The sensitivity analysis presented is prepared on the basis that a change in each key assumption would not have a consequential impact on other assumptions used in the impairment review.

	UK CGU	
Decrease in recoverable amount	**2024 $m**	2023 $m
Increase in pre-tax discount rate by 1%	**(309)**	(243)
Decrease in projected operating profit by 3%	**(95)**	(77)
Decrease in the long-term growth rate by 0.1%	**(25)**	(23)

In order for the recoverable amount to be equal to the carrying value, the pre-tax discount rate would have to be increased by 1.8% (2023: 0.9%), projected operating profit decreased by 16% (2023: 9%) or the long-term growth rate decreased to a decline of 0.6% (2023: growth of 1.0%).

Other than as disclosed above, the directors do not consider that any reasonably possible changes in the key assumptions would cause the value in use of the net operating assets of the individually significant CGUs disclosed above to fall below their carrying values.

10 Other intangible assets

Significant accounting policy

Acquisition intangibles
Intangible assets acquired as part of a business combination are capitalised at fair value at the date of acquisition and mainly relate to client contracts and brands.

Client contract intangibles
Client contract intangibles are capitalised at cost and relate to payments made to clients, typically at the start of a contract, to obtain the right to generate significant consumer revenue through the provision of food services at the client site.

Computer software
Software licences acquired for use by the Group are capitalised at cost, including the cost of purchasing the licence and the directly attributable cost of bringing the software application to use.

Software-as-a-Service (SaaS) arrangements are service contracts providing the Group with the right to access the cloud provider's software over the contract period. As such, the Group does not receive a software intangible asset at the contract commencement date. Implementation services are assessed to determine whether they are distinct from the underlying use of the software. Where implementation services are not distinct, the cost is expensed as incurred. Where implementation services are distinct, an intangible asset is recognised if it satisfies the conditions for recognition as an intangible asset in accordance with IAS 38 Intangible Assets, otherwise the cost is expensed as incurred.

Trademarks and licences
Trademarks and licences are capitalised at cost.

Amortisation and impairment
The method of amortisation reflects the pattern in which the economic benefits of the asset are expected to be consumed. The following methods are applied:

- acquisition intangibles: straight line over the life of the contract, including the renewal period where appropriate. The typical useful lives range from 2 to 20 years.
- client contract intangibles: straight line over the life of the contract. The typical useful lives range from 3 to 5 years.
- computer software: straight line or a method which better reflects the pattern in which the economic benefits of the asset are expected to be consumed. The typical useful lives range from 3 to 10 years.
- trademarks and licences: straight line over the term of the trademark or licence.

Other intangible assets are tested for impairment if there are any indicators of impairment.

Other source of estimation uncertainty

During the year, the Group recognised acquisition intangibles on business acquisitions of $901m largely relating to the acquisitions of HOFMANN[s] in Germany and CH&CO in the UK and Ireland (see note 27). Where appropriate, external valuation specialists are engaged to perform the identification and valuation of acquisition intangibles, which primarily comprise client contracts and brands. The fair value of acquired intangibles is estimated based on assumptions, including operating cash flow forecasts, long-term growth rates and discount rates, as well as retention rates for client contracts and royalty rates for brands. The Group does not currently anticipate any material changes to the amounts recorded at 30 September 2024.

Climate change

In the event that there are indicators of impairment in respect of long-life acquisition intangibles, the potential impact of climate change and the Group's net zero commitments on forecast cash flows beyond the Group's three-year planning period is considered during impairment testing by including in the sensitivity analysis assumptions consistent with the quantitative scenario analysis performed for the Task Force on Climate-Related Financial Disclosures (see pages 47 and 48).

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

10 Other intangible assets continued

Other intangible assets	Acquisition intangibles $m	Client contract intangibles $m	Computer software $m	Trademarks and licences $m	Total $m
Cost					
At 1 October 2022 (restated[1])	1,993	894	748	7	3,642
Additions	–	103	159	1	263
Disposals	(4)	(23)	(12)	–	(39)
Business acquisitions	271	–	–	–	271
Sale and closure of businesses	(22)	(2)	(7)	–	(31)
Reclassification	–	2	1	1	4
Currency adjustment	37	(3)	34	1	69
At 30 September 2023 (restated[1])	2,275	971	923	10	4,179
Additions	**–**	**156**	**173**	**–**	**329**
Disposals	**–**	**(72)**	**(72)**	**(2)**	**(146)**
Business acquisitions	**901**	**1**	**5**	**–**	**907**
Sale and closure of businesses	**(34)**	**(6)**	**(13)**	**(3)**	**(56)**
Transfer to held for sale	**–**	**(2)**	**(7)**	**–**	**(9)**
Reclassification	**(1)**	**19**	**2**	**–**	**20**
Currency adjustment	**74**	**10**	**38**	**1**	**123**
At 30 September 2024	**3,215**	**1,077**	**1,049**	**6**	**5,347**
Amortisation					
At 1 October 2022 (restated[1])	615	438	394	7	1,454
Charge for the year	122	74	59	1	256
Impairment	–	10	–	–	10
Disposals	(2)	(22)	(9)	–	(33)
Sale and closure of businesses	(6)	(2)	(2)	–	(10)
Reclassification	–	1	(1)	–	–
Currency adjustment	7	(2)	16	1	22
At 30 September 2023 (restated[1])	736	497	457	9	1,699
Charge for the year	**162**	**80**	**69**	**1**	**312**
Impairment – strategic portfolio review[2]	**–**	**–**	**146**	**–**	**146**
Impairment – other	**–**	**–**	**7**	**–**	**7**
Disposals	**–**	**(60)**	**(65)**	**(2)**	**(127)**
Sale and closure of businesses	**(28)**	**(3)**	**(10)**	**(2)**	**(43)**
Transfer to held for sale	**–**	**(2)**	**(6)**	**–**	**(8)**
Currency adjustment	**14**	**6**	**16**	**–**	**36**
At 30 September 2024	**884**	**518**	**614**	**6**	**2,022**
Net book value					
At 30 September 2023 (restated[1])	1,539	474	466	1	2,480
At 30 September 2024	**2,331**	**559**	**435**	**–**	**3,325**

1. See note 1.
2. In 2024, we have recognised a charge of $146m for the non-cash impairment of work-in-progress head office (non-client-related) computer software assets (see note 3). The residual value of the impaired computer software assets is $78m, with remaining useful economic lives between 7 and 10 years.

Significant acquisition intangibles

Acquisition	Year	Acquisition intangibles	Remaining useful economic life	Net book value 2024 $m	Net book value Restated[1] 2023 $m
Fazer Food Services	2020	Client contracts	6-14 years	**224**	234
CH&CO	2024	Client contracts	11 years	**317**	–
CH&CO	2024	Brands	5-20 years	**152**	–
HOFMANN[s]	2024	Client contracts	8-10 years	**118**	–
HOFMANN[s]	2024	Brands	19 years	**65**	–

1. See note 1.

11 Contract balances

Significant accounting policy

Contract fulfilment assets

Costs incurred in the fulfilment of the Group's obligations to the client under the contract include contributions towards service assets, such as kitchen and restaurant fit-out costs and equipment, which are capitalised as contract fulfilment assets. Contract fulfilment assets originate when payments are made, normally upfront at the start of the client contract, that provide enhanced resources to the Group over the contract term. Contract fulfilment costs covered within the scope of another accounting standard, such as property, plant and equipment and intangible assets, are not capitalised as contract fulfilment assets, but are treated according to other standards.

Costs to obtain contracts

Costs incurred during the bidding period, prior to a contract being awarded, are expensed to the income statement. Costs incurred in securing the contract after preferred bidder status has been obtained are generally expensed as incurred, unless they fulfil the conditions for capitalisation as an asset.

The incremental costs to obtain a contract with a customer, such as commissions to the salesforce, are capitalised if it is expected that those costs will be recoverable. Only commissions directly attributable to an individual contract award are capitalised, while commissions payable due to multiple contract wins or due to a portfolio of client contracts are expensed as incurred as they cannot be directly attributable to an identified contract. Costs to obtain contracts that would have been incurred regardless of whether the contract was obtained are recognised as an expense in the period.

Amortisation and impairment

Contract fulfilment assets are amortised on a straight-line basis over the shorter of the life of the client contract and the useful economic life of the assets. The amortisation charge is included in operating costs.

Capitalised costs to obtain contracts are unwound over the life of the client contract as an expense.

Contract fulfilment assets and capitalised costs to obtain contracts are reviewed annually to identify indicators of impairment. Whenever impairment indicators exist, the Group determines the recoverability of the contract fulfilment assets and capitalised costs to obtain contracts by comparing their carrying amount to the remaining amount of consideration that the Group expects to receive, less the costs that relate to providing services under the relevant contract.

The following table provides information about contract costs, assets and liabilities from contracts with customers and other contract-related balances.

Contract balances	Notes	2024 $m	Restated[1] 2023 $m
Contract costs			
Contract fulfilment assets		**1,405**	1,210
Costs to obtain contracts		**120**	106
Costs to obtain and fulfil contracts		**1,525**	1,316
Contract assets			
Accrued income	16	**537**	498
Contract liabilities			
Deferred income	22	**(768)**	(552)
Other contract balances			
Contract prepayments	16	**299**	177
Trade receivables	16	**4,139**	3,734
Net contract balances		**5,732**	5,173

1. See note 1.

The Group's accrued and deferred income balances solely relate to revenue from contracts with customers. The timing of revenue recognition may differ from the timing of invoicing to customers. Accrued income typically arises where the timing of the related billing cycle occurs in a period after the performance obligation is satisfied and is recognised as a contract asset. Deferred income generally arises as a result of upfront payments under client contracts, including prepaid customer cards, and is recognised as contract liabilities, which are released over the term of the contract as revenue is recognised. Generally, such contract liabilities are recognised as revenue within 12 months. Movements during the year were driven by transactions entered into by the Group in the normal course of business.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

11 Contract balances continued

Contract fulfilment assets

Contract fulfilment assets relate to contributions towards assets that the Group uses in the performance of its obligations in its contracts with clients.

Contract fulfilment assets	2024 $m	Restated[1] 2023 $m
At 1 October	**1,210**	1,143
Additions	**514**	380
Derecognition	**(23)**	(29)
Business acquisitions	**3**	–
Amortisation charge for the year	**(306)**	(282)
Impairment reversal	**6**	–
Reclassification	**(2)**	(3)
Currency adjustment	**3**	1
At 30 September	**1,405**	1,210

1. See note 1.

With the exception of contract fulfilment assets, cash payments in respect of contract balances are classified as cash flows from operating activities. There is a significant judgement in respect of the classification of cash payments relating to contract fulfilment assets in the cash flow statement. The Group classifies additions to contract fulfilment assets as cash flows from investing activities as they arise from cash payments in relation to assets that will generate long-term economic benefits. During the year, the purchase of contract fulfilment assets in cash flows from investing activities was $508m (2023: $380m).

12 Leases

Significant accounting policy

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the Group has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use. The Group allocates the consideration in the contract to each lease and non-lease component. The non-lease component, where it is separately identifiable, is not included in the right-of-use asset.

When a contract is or contains a lease, the Group recognises a right-of-use asset and a corresponding lease liability at the lease commencement date with respect to all lease arrangements in which it is the lessee, except for leases of low-value assets with an initial fair value less than approximately $7,500 and short-term leases of 12 months or less. For these leases, the lease payments are charged to the income statement as an operating expense on a straight-line basis over the period of the lease.

The lease term is the non-cancellable period beginning at the contract commencement date plus periods covered by an option to extend the lease, if it is reasonably certain that the Group will exercise the option, and periods covered by an option to terminate the lease, if it is reasonably certain that the Group will not exercise this option.

Right-of-use assets
The right-of-use asset is initially measured at cost, comprising the initial lease liability adjusted for any lease payments already made, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received.

Depreciation and impairment
The right-of-use asset is depreciated on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. The right-of-use asset is tested for impairment if there are any indicators of impairment.

Lease liabilities
The lease liability is measured at the present value of the lease payments that are reasonably certain and not paid at the commencement date, discounted at the incremental borrowing rate specific to the term, country and start date of the lease. The lease liability is subsequently measured at amortised cost using the effective interest method. The lease liability is remeasured, with a corresponding adjustment to the right-of-use asset, by discounting the revised lease payments as follows:

- using the initial discount rate at the commencement of the lease when lease payments change as a result of changes to residual value guarantees and changes in an index other than a floating interest rate
- using a revised discount rate when lease payments change as a result of the Group's reassessment of whether it is reasonably certain to exercise a purchase, extension or termination option, changes in the lease term or as a result of a change in floating interest rates

Variable lease payments that are not included in the measurement of the lease liability are recognised in the consolidated income statement in the period in which the event or condition that triggers payment occurs.

Information regarding leases for which the Group is a lessee is provided below. The Group does not have any material arrangements where it acts as a lessor.

The Group's lease portfolio consists of office premises, concession rentals and other assets, such as catering equipment, vending machines and motor vehicles. Lease terms are negotiated on an individual basis and contain a broad range of terms and conditions.

Some lease agreements contain variable payments that are not linked to an index or rate, but are based on the performance of the underlying asset. The variable payments depend on sales and, consequently, on overall economic developments over the next few years. Variable payment terms are used to link rental payments to cash flows and reduce fixed costs.

The Group does not expect any significant changes in the overall ratio of the variable payments to the Group's entire lease portfolio.

Extension and termination options are included in a number of lease agreements and provide the Group with operational flexibility. These options are assessed at contract commencement to determine whether they are reasonably certain to be exercised and are reassessed if a significant event or change in circumstances occurs which is in the control of the Group.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

12 Leases continued

Right-of-use assets

Right-of-use assets	Land and buildings $m	Plant and machinery $m	Fixtures and fittings $m	Total $m
At 1 October 2022 (restated[1])	646	270	1	917
Additions	156	123	1	280
Amendments[2]	43	1	–	44
Depreciation charge for the year	(126)	(72)	(1)	(199)
Impairment – strategic portfolio review	(52)	–	–	(52)
Impairment – other	(1)	–	–	(1)
Sale and closure of businesses	(4)	(6)	–	(10)
Reclassification	(4)	(13)	–	(17)
Currency adjustment	27	3	–	30
At 30 September 2023 (restated[1])	685	306	1	992
Additions	**117**	**144**	**1**	**262**
Amendments[2]	**62**	**1**	–	**63**
Business acquisitions	**33**	**4**	–	**37**
Depreciation charge for the year	**(135)**	**(84)**	**(1)**	**(220)**
Sale and closure of businesses	**(4)**	–	–	**(4)**
Transfer to held for sale	**(1)**	**(4)**	–	**(5)**
Reclassification	–	**(11)**	–	**(11)**
Currency adjustment	**26**	**4**	–	**30**
At 30 September 2024	**783**	**360**	**1**	**1,144**

1. See note 1.
2. Amendments include lease terminations, modifications, reassessments and extensions to existing lease agreements.

Lease liabilities

Lease liabilities	2024 $m	Restated[1] 2023 $m
Current	**273**	237
Non-current	**1,042**	916
Total	**1,315**	1,153

1. See note 1.

A maturity analysis of contractual undiscounted cash flows relating to lease liabilities is presented in note 20.

Income statement

Amounts recognised in the income statement	2024 $m	Restated[1] 2023 $m
Leases of low-value assets, excluding short-term leases of low-value assets	**58**	54
Short-term leases	**112**	108
Variable lease payments	**22**	20
Expense relating to short-term leases, low-value assets and variable lease payments	**192**	182
Depreciation expense of right-of-use assets	**220**	199
Impairment – strategic portfolio review	–	52
Impairment – other	–	1
Interest on lease liabilities	**65**	50
Total	**477**	484

1. See note 1.

Cash flow statement

The Group had total cash outflows for leases of $292m (2023: $265m), comprising $65m (2023: $50m) of interest in cash flow from operating activities and $227m (2023: $215m) of principal in cash flow from financing activities. The Group has various non-cancellable lease contracts that had not yet commenced at 30 September 2024. The future lease payments for these non-cancellable lease contracts are $1m within one year (2023: $3m), $1m between one and five years (2023: $16m) and $2m thereafter (2023: $26m).

13 Property, plant and equipment

Significant accounting policy

Freehold land is carried at cost and is not depreciated. All other property, plant and equipment assets are carried at cost less accumulated depreciation and any recognised impairment in value. When assets are sold, the difference between the sales proceeds and the carrying amount of the assets is recognised in the consolidated income statement.

Depreciation and impairment
Depreciation is provided on a straight-line basis over the anticipated useful lives of the assets. The following rates are applied for the Group: freehold buildings: 2% per annum; plant and machinery: 8% to 33% per annum; and fixtures and fittings: 8% to 33% per annum.

Property, plant and equipment is tested for impairment if there are any indicators of impairment.

Property, plant and equipment	Land and buildings $m	Plant and machinery $m	Fixtures and fittings $m	Total $m
Cost				
At 1 October 2022 (restated[1])	445	2,105	921	3,471
Additions	33	302	110	445
Disposals	(31)	(173)	(64)	(268)
Business acquisitions	6	21	1	28
Sale and closure of businesses	(4)	(68)	(17)	(89)
Reclassification	2	17	2	21
Currency adjustment	8	44	44	96
At 30 September 2023 (restated[1])	459	2,248	997	3,704
Additions	**28**	**397**	**147**	**572**
Disposals	**(21)**	**(247)**	**(91)**	**(359)**
Business acquisitions	**34**	**37**	**12**	**83**
Sale and closure of businesses	–	**(52)**	**(44)**	**(96)**
Transfer to held for sale	–	**(44)**	**(8)**	**(52)**
Reclassification	–	**5**	**4**	**9**
Currency adjustment	**14**	**43**	**44**	**101**
At 30 September 2024	**514**	**2,387**	**1,061**	**3,962**
Depreciation				
At 1 October 2022 (restated[1])	277	1,426	710	2,413
Charge for the year	27	227	83	337
Impairment – strategic portfolio review	–	3	5	8
Impairment – other	–	1	–	1
Impairment reversal	–	(2)	–	(2)
Disposals	(20)	(140)	(73)	(233)
Sale and closure of businesses	(4)	(50)	(13)	(67)
Reclassification	(1)	6	–	5
Currency adjustment	5	36	35	76
At 30 September 2023 (restated[1])	284	1,507	747	2,538
Charge for the year	**29**	**255**	**90**	**374**
Impairment	–	**2**	**1**	**3**
Impairment reversal	–	–	**(1)**	**(1)**
Disposals	**(19)**	**(223)**	**(83)**	**(325)**
Sale and closure of businesses	–	**(37)**	**(33)**	**(70)**
Transfer to held for sale	–	**(34)**	**(6)**	**(40)**
Reclassification	–	**1**	**(3)**	**(2)**
Currency adjustment	**8**	**34**	**32**	**74**
At 30 September 2024	**302**	**1,505**	**744**	**2,551**
Net book value				
At 30 September 2023 (restated[1])	175	741	250	1,166
At 30 September 2024	**212**	**882**	**317**	**1,411**

1. See note 1.

14 Interests in joint ventures and associates

Significant accounting policy

Joint arrangements are entities in which the Group holds an interest on a long-term basis and which are jointly controlled by the Group and other entities under a contractual agreement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. An associate is an undertaking that is not a subsidiary or joint arrangement over which the Group has significant influence and can participate in financial and operating policy decisions.

Joint ventures and associates are accounted for using the equity method. The consolidated income statement includes the Group's share of the results of joint ventures and associates and the consolidated balance sheet includes the Group's share of their net assets.

Investments in associates include goodwill identified on acquisition and are carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in value.

Interests in joint ventures and associates	Notes	2024 $m	Restated[1] 2023 $m
Net book value			
At 1 October		**298**	301
Additions[2]		**15**	9
Sale and closure of businesses	27	**(61)**	–
Step acquisitions	27	**(30)**	(29)
Loss on step acquisitions	27	**(1)**	–
Share of profit before tax of joint ventures	2	**17**	36
Tax on share of profit of joint ventures[3]	2	**(1)**	–
Share of results of associates	2	**28**	32
Transfer to held for sale[4]		**(10)**	(6)
Dividends received		**(65)**	(60)
Currency adjustment		**13**	15
At 30 September		**203**	298
Comprised of			
Interests in joint ventures		**1**	104
Interests in associates		**202**	194
Total		**203**	298

1. See note 1.
2. 2024 includes $6m of contingent consideration payable.
3. Specific adjusting item (see note 34).
4. Following transfer to held for sale in 2024, the Group's business in Qatar was fully impaired (see note 3).

Significant interests in joint ventures and associates measured using the equity method are as follows:

Significant joint ventures and associates	Interest	Holding	Principal place of business	Carrying amount 2024 $m	Carrying amount Restated[1] 2023 $m
Twickenham Experience Limited[2]	Associate	40%	UK	**105**	97
Abu Dhabi National Hotels Compass Middle East LLC	Joint venture	50%	UAE	–	79

1. See note 1.
2. The holding of 40% is based on the Group's share of voting rights. Based on the nominal value of share capital, the Group's holding is 16% (see note 36).

The Group's 50% interest in Abu Dhabi National Hotels Compass Middle East LLC was sold in March 2024.

The Group's joint ventures and associates provide food and/or support services. None of these investments is considered to be individually material to the results or financial position of the Group.

15 Other investments

Significant accounting policy

Other investments comprising debt and equity instruments are recognised at fair value plus direct transaction costs.

Debt instruments are classified at fair value through other comprehensive income. Gains and losses arising from changes in fair value are recognised directly in other comprehensive income, except for impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in the income statement. When the debt instrument is derecognised, cumulative amounts in other comprehensive income are reclassified to the income statement.

Equity investments have been irrevocably designated at fair value through other comprehensive income. Gains and losses arising from changes in fair value are recognised directly in other comprehensive income, and are not subsequently reclassified to the Group income statement, including on derecognition. Impairment losses are not recognised separately from other changes in fair value. Dividends are recognised in the consolidated income statement when the Group's right to receive payment is established.

Other investments that are not equity investments, whose cash flows are not solely principal and interest or are not held in order to collect contractual cash flows, are classified and measured at fair value through profit and loss. Investments are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Other investments	Notes	2024 $m	Restated[1] 2023 $m
Net book value			
At 1 October		**1,049**	881
Additions		**2**	4
Disposals		**(330)**	(4)
Change in fair value of financial assets at fair value through other comprehensive income		**350**	115
Change in fair value of financial assets at fair value through profit or loss	5	**2**	(9)
Rabbi Trust contributions[2]		**101**	90
Rabbi Trust benefits paid[2]		**(53)**	(54)
Dividends received from Rabbi Trust investments[2]	5	**28**	23
Currency adjustment		**–**	3
At 30 September		**1,149**	1,049
Comprised of			
Rabbi Trust investments[2]		**1,022**	760
Mutual fund investments[3]		**62**	58
Life insurance policies[3]		**36**	35
Trade investments[4]		**29**	181
Other investments		**–**	15
Total		**1,149**	1,049

1. See note 1.
2. The Rabbi Trust arrangements are deferred compensation plans for US employees (see note 24).
3. Held by overseas companies to meet the cost of unfunded post-employment benefit obligations (see page 191).
4. 2023 primarily represented a 19% effective interest in ASM Global Parent, Inc., which was sold in August 2024.

The Group's 19% effective interest in ASM Global Parent, Inc. was sold in August 2024 for $327m.

The credit totalling $350m (2023: $115m) from the change in fair value of financial assets at fair value through other comprehensive income includes $171m (2023: $69m) in respect of assets held by the Rabbi Trust arrangements and $179m (2023: $46m) in respect of trade and other investments in the US (including ASM Global Parent, Inc.).

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

16 Trade and other receivables

Significant accounting policy

The carrying value of all trade receivables is recorded at amortised cost and reduced by provisions for impairment, which are measured at an amount equal to lifetime expected credit losses. In determining credit risk, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and forward-looking information.

Trade and other receivables	2024 Current $m	2024 Non-current $m	2024 Total $m	Restated[1] 2023 Current $m	Restated[1] 2023 Non-current $m	Restated[1] 2023 Total $m
Trade receivables	**4,139**	**–**	**4,139**	3,734	–	3,734
Accrued income	**537**	**–**	**537**	498	–	498
Rebates receivable[2]	**578**	**–**	**578**	513	–	513
Prepayments – contract	**54**	**245**	**299**	32	145	177
Prepayments – other	**211**	**3**	**214**	163	4	167
Deferred consideration receivable on business disposals[3]	**27**	**80**	**107**	6	72	78
Other[4]	**140**	**82**	**222**	148	88	236
Total	**5,686**	**410**	**6,096**	5,094	309	5,403

1. See note 1.
2. Rebates receivable are net of a provision for impairment of $7m (2023: $12m).
3. Includes $57m (2023: $67m) in respect of the sale of four businesses in Central and Eastern Europe receivable over four years from the date of disposal in October 2022.
4. Other receivables are net of a provision for impairment of $14m (2023: $43m).

The ageing of gross trade receivables and of the provision for impairment is as follows:

Trade receivables	2024 Not yet due $m	0-3 months overdue $m	3-6 months overdue $m	6-12 months overdue $m	Over 12 months overdue $m	Total $m
Expected loss rate	**–**	**4%**	**26%**	**83%**	**94%**	**3%**
Gross	**3,387**	**738**	**66**	**24**	**48**	**4,263**
Provision	**(14)**	**(28)**	**(17)**	**(20)**	**(45)**	**(124)**
Total	**3,373**	**710**	**49**	**4**	**3**	**4,139**

Trade receivables	Restated[1] 2023 Not yet due $m	0-3 months overdue $m	3-6 months overdue $m	6-12 months overdue $m	Over 12 months overdue $m	Total $m
Expected loss rate	1%	3%	33%	89%	74%	3%
Gross	3,161	538	78	22	48	3,847
Provision	(17)	(16)	(25)	(20)	(35)	(113)
Total	3,144	522	53	2	13	3,734

1. See note 1.

Movements in the provision for impairment of trade receivables, rebates receivable and other receivables are as follows:

Provision for impairment	2024 Trade receivables $m	2024 Rebates receivable $m	2024 Other $m	2024 Total $m	Restated[1] 2023 Trade receivables $m	Restated[1] 2023 Rebates receivable $m	Restated[1] 2023 Other $m	Restated[1] 2023 Total $m
At 1 October	**113**	**12**	**43**	**168**	107	10	49	166
Charged to income statement	**48**	**17**	**2**	**67**	44	17	–	61
Credited to income statement	**(11)**	**(12)**	**–**	**(23)**	(10)	(9)	–	(19)
Utilised	**(24)**	**(10)**	**(2)**	**(36)**	(31)	(6)	(10)	(47)
Sale and closure of businesses	**(4)**	**–**	**(29)**	**(33)**	(1)	–	–	(1)
Transfer to held for sale	**(2)**	**–**	**–**	**(2)**	–	–	–	–
Reclassification	**–**	**–**	**–**	**–**	2	–	(1)	1
Currency adjustment	**4**	**–**	**–**	**4**	2	–	5	7
At 30 September	**124**	**7**	**14**	**145**	113	12	43	168

1. See note 1.

Trade receivable days at 30 September 2024 were 42 days (2023: 41 days on a constant-currency basis).

17 Inventories

Significant accounting policy

Inventories are valued at the lower of cost and net realisable value. Cost is calculated using either the weighted average price or the first in, first out method as appropriate to the circumstances. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Agreed discounts relating to inventories are credited to the income statement in cost of sales as the goods are consumed.

Rebates relating to items purchased, but still held at the balance sheet date, are deducted from the carrying value of these items so that the cost of inventories is recorded net of applicable rebates.

Inventories	2024 $m	Restated[1] 2023 $m
Net book value		
At 1 October	**692**	570
Business acquisitions	**30**	13
Sale and closure of businesses	**(21)**	(11)
Transfer to held for sale	**(11)**	–
Net movement	**36**	119
Currency adjustment	**8**	1
At 30 September	**734**	692

1. See note 1.

18 Cash and cash equivalents

Significant accounting policy

Cash and cash equivalents comprise cash at bank and in hand, money market funds and short-term deposits with an original maturity of three months or less. Cash and overdrafts are presented on a net basis in cash and cash equivalents when the Group has a legally enforceable right to set off the balances and it regularly settles the balances on a net basis.

Bank overdrafts classified as borrowings (see note 19) are an integral part of the Group's cash management and are included in cash and cash equivalents in the consolidated cash flow statement.

Cash and cash equivalents by type	2024 $m	Restated[1] 2023 $m
Cash at bank and in hand	**437**	382
Short-term bank deposits	**60**	137
Money market funds	**126**	510
Total	**623**	1,029

1. See note 1.

Cash and cash equivalents by currency	2024 $m	Restated[1] 2023 $m
US dollar	**38**	46
Sterling	**174**	701
Euro	**215**	45
Japanese yen	**40**	7
Other	**156**	230
Total	**623**	1,029

1. See note 1.

The Group's policy to manage the credit risk associated with cash and cash equivalents is set out in note 20. The book value of cash and cash equivalents represents the maximum credit exposure.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

18 Cash and cash equivalents continued

Master netting or similar agreements

The Group has an agreement with a bank counterparty such that, following each quarter end, all balances are net settled simultaneously to a single sterling value which is transferred to the sterling bank account of Compass Group PLC and included in cash and cash equivalents at the balance sheet date. The cash and overdraft figures before netting are shown in the table below:

	2024			Restated[1] 2023		
	Gross $m	**Offset $m**	**Net $m**	Gross $m	Offset $m	Net $m
Cash and cash equivalents	**1,634**	**(1,011)**	**623**	1,708	(679)	1,029
Bank overdrafts	**(1,081)**	**1,011**	**(70)**	(878)	679	(199)

1. See note 1.

19 Borrowings

Significant accounting policy

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost unless they are part of a fair value hedge accounting relationship. Borrowings that are part of a fair value hedge accounting relationship are measured at amortised cost adjusted for the fair value attributable to the risk being hedged.

Borrowings by type	Nominal value	Redeemable	Interest	**2024 $m**	Restated[1] 2023 $m
US Private Placement	$352m	Oct 2023	4.12%	**–**	352
Eurobond	€750m	Jul 2024	0.63%	**–**	772
US Private Placement	$100m	Dec 2024	3.54%	**100**	100
Eurobond	£250m	Sep 2025	2.00%	**326**	282
US Private Placement	$300m	Sep 2025	3.81%	**297**	287
Eurobond	£250m	Jun 2026	3.85%	**335**	304
US Private Placement	$300m	Dec 2026	3.64%	**300**	300
Eurobond	€500m	Sep 2028	1.50%	**517**	459
Eurobond	£300m	Jul 2029	2.00%	**353**	299
Eurobond	€500m	Mar 2030	3.00%	**547**	486
Eurobond	€750m	Feb 2031	3.25%	**849**	–
Eurobond	£250m	Sep 2032	4.38%	**317**	270
Eurobond	€500m	Sep 2033	3.25%	**556**	–
Issued debt				**4,497**	3,911
Commercial paper				**25**	–
Bank loans				**4**	4
Bank overdrafts				**70**	199
Total				**4,596**	4,114
Comprised of					
Current				**822**	1,327
Non-current				**3,774**	2,787
Total				**4,596**	4,114

1. See note 1.

The US Private Placements and Eurobonds are shown net of unamortised issue costs. The Group adjusts the carrying values of the US Private Placements and Eurobonds that are designated in effective fair value hedge relationships for fair value gains and losses (based on observable market inputs) attributable to the risk being hedged.

Interest on bank overdrafts is at the relevant money market rates.

19 Borrowings continued

Borrowings by maturity	2024 $m	Restated[1] 2023 $m
Within 1 year, or on demand	**822**	1,327
Between 1 and 2 years	**335**	669
Between 2 and 3 years	**300**	304
Between 3 and 4 years	**517**	300
Between 4 and 5 years	**353**	459
In more than 5 years	**2,269**	1,055
Total	**4,596**	4,114

1. See note 1.

Borrowings by currency	2024 $m	Restated[1] 2023 $m
US dollar	**771**	1,231
Sterling	**1,334**	1,157
Euro	**2,480**	1,716
Other	**11**	10
Total	**4,596**	4,114

1. See note 1.

Financial covenants

The US Private Placement (USPP) notes contain financial covenants which consist of a leverage covenant test and an interest cover covenant test which are tested semi-annually at 31 March and 30 September.

The leverage covenant test stipulates that net debt after adjustments (including removal of leases, derivatives and fair value adjustments) must be less than or equal to 3.5 times underlying EBITDA after adjustments (including non-underlying items, depreciation on right-of-use assets and lease interest) and can be increased to 4 times without breach for a limited period of time following a material acquisition and subject to a coupon step-up being paid.

The interest cover covenant test stipulates that underlying EBITDA after adjustments (including non-underlying items, depreciation on right-of-use assets and lease interest) must be more than or equal to 3 times net finance costs after adjustments (including removal of lease interest and other financing items) and can be reduced to 2.5 times without breach for a limited period of time following a material acquisition and subject to a coupon step-up being paid.

	Covenant requirement[1]	Ratio[2]		Covenant ratio[3]	
		2024	2023	**2024**	2023
Leverage covenant	<=3.5	**1.3**	1.2	**1.1**	1.0
Interest cover covenant	>=3	**16.6**	21.8	**19.6**	27.6

1. Can be exceeded by 0.5 for three consecutive reporting periods following a material acquisition and subject to a coupon step-up being paid.
2. Calculated using Alternative Performance Measures (see note 34). The leverage ratio reflects net debt divided by underlying EBITDA. The interest cover ratio reflects underlying EBITDA divided by underlying net finance costs.
3. Calculated using Alternative Performance Measures (see note 34) and adjusted as per the USPP agreements.

20 Financial risk management

Significant accounting policy

Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps or options, to hedge the risks associated with changes in foreign exchange rates and interest rates. Such derivative financial instruments are initially measured at fair value on the contract date and are remeasured to fair value at subsequent reporting dates.

The use of financial derivatives is governed by the Group's policies approved by the Board that provide written principles on the use of financial derivatives consistent with the Group's risk management strategy. The Group does not use derivative financial instruments for speculative purposes.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of interest rate swaps is determined by reference to market values for similar instruments.

For the purpose of hedge accounting, hedges are classified as either fair value hedges when they hedge the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment, or net investment hedges where they hedge the exposure to foreign currency arising from a net investment in foreign operations.

On adoption of IFRS 9 Financial Instruments, the Group elected to continue to apply the hedge accounting guidance in IAS 39 Financial Instruments: Recognition and Measurement.

Fair value hedges

In relation to fair value hedges which meet the conditions for hedge accounting, any gain or loss from remeasuring the hedging instrument at fair value is recognised immediately in the consolidated income statement. Any gain or loss on the hedged item attributable to the hedged risk is adjusted against the carrying amount of the hedged item and recognised in the consolidated income statement. Where the adjustment is to an unrecognised firm commitment, an asset or liability is recognised on the balance sheet. When the hedged transaction occurs, that asset or liability is recognised in the initial measurement of the acquisition cost and carrying amount of the asset or liability. Where the adjustment is to the carrying amount of a hedged interest-bearing financial instrument, the adjustment is amortised to the net profit and loss such that it is fully amortised by maturity.

When fair value hedge accounting is discontinued, any adjustment to the carrying amount of the hedged item for the designated risk for interest-bearing financial instruments is amortised to profit or loss, with amortisation commencing no later than when the hedged item ceases to be adjusted.

Net investment hedges

The Group uses foreign currency-denominated debt, forward currency contracts and cross currency swaps to partially hedge against the change in the value of its foreign currency-denominated net assets due to movements in foreign exchange rates. The Group designates these as a hedge of its net investments in foreign operations and recognises the gains or losses on the retranslation of the borrowings in other comprehensive income. If the Group uses derivatives as the hedging instrument, the effective portion of the hedge is recognised in other comprehensive income, with any ineffective portion being recognised immediately in the income statement. Exchange differences arising from a monetary item receivable from or payable to a Group foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the translation reserve.

Gains and losses accumulated in other comprehensive income are recycled through the consolidated income statement on disposal of the foreign operation.

For derivative financial instruments that do not qualify for hedge accounting, any gains or losses arising from changes in fair value are taken directly to the consolidated income statement in the period.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting.

20 Financial risk management continued

The Group's financial instruments comprise cash, borrowings, receivables and payables that are used to finance the Group's operations. The Group also uses derivatives, principally interest rate swaps, forward currency contracts and cross currency swaps, to manage interest rate and currency risks arising from the Group's operations. The Group does not trade in financial instruments. The Group's treasury policies are designed to mitigate the impact of fluctuations in interest rates and exchange rates and to manage the Group's financial risks. The Board approves any changes to the policies.

Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its financial obligations as they fall due.

The Group finances its operations through cash generated by the business and borrowings from a number of sources, including banking institutions, the public and the private placement markets. The Group has developed long-term relationships with a number of financial counterparties with the balance sheet strength and credit quality to provide credit facilities as required.

The Group seeks to avoid a concentration of debt maturities in any one period to spread its refinancing risk. The maturity profile of the Group's principal borrowings at 30 September 2024 shows that the average period to maturity is 4.6 years (2023: 3.3 years).

Liquidity risk faced by the Group is mitigated by having diverse sources of finance available to it and by maintaining substantial unutilised committed banking facilities to maintain a level of headroom in line with Board approval.

The Group has a £2,000m ($2,683m) Revolving Credit Facility (RCF) committed to August 2026. At 30 September 2024, no amounts were drawn under the RCF (2023: £nil).

The Group has a $4bn commercial paper programme. Commercial paper is issued to meet short-term liquidity requirements and is supported by the RCF. At 30 September 2024, commercial paper of $25m was outstanding under the programme (2023: $nil).

Foreign currency risk

The Group's policy is to balance its principal projected cash flows by currency with actual or effective borrowings in the same currency. As currency cash flows are generated, they are used to service and repay debt in the same currency. Where necessary, to implement this policy, forward currency contracts and cross currency swaps are taken out which, when applied to the actual currency borrowings, convert these to the required currency.

The borrowings in each currency can give rise to foreign exchange differences on translation. Where the borrowings are less than, or equate to, the net investment in overseas operations, these exchange rate variances may be treated as movements on reserves and recorded in the consolidated statement of comprehensive income rather than in the consolidated income statement.

Non-dollar earnings streams are translated at the average rate of exchange for the year. Fluctuations in exchange rates have given and will continue to give rise to translation differences. The Group is only partially protected against the impact of such differences through the matching of cash flows to currency borrowings.

The Group has minimal exposure to the foreign currency risk of trade receivables and payables as operations within individual countries have little cross-border activity which might give rise to translation risks on trade-related balances.

The main currencies to which the Group's reported US dollar financial position is exposed are sterling and euro. As set out above, the Group seeks to hedge its exposure to currencies by matching debt in currency against the cash flows generated by the Group's foreign operations in such currencies.

The effect on profit for the year (after tax) and total equity of a 10% strengthening of the US dollar against these currencies on the Group's financial instruments is shown below. A 10% weakening would result in an equal and opposite impact on the profit or loss and equity of the Group. This table shows the impact on the financial instruments in place at 30 September and has been prepared on the basis that the 10% change in exchange rates occurred on the first day of the financial year and applied consistently throughout the year. The majority of the exposure relates to the Company, which has a sterling functional currency.

	2024		Restated[1] 2023	
Financial instruments: impact of US dollar strengthening by 10%	**Sterling $m**	**Euro $m**	Sterling $m	Euro $m
Decrease in profit for the year (after tax)	**(3)**	**–**	(19)	–
Increase/(decrease) in total equity	**31**	**96**	(36)	102

1. See note 1.

Interest rate risk

As set out above, the Group has effective borrowings in a number of currencies. The Group raises fixed-rate capital market debt and may swap this to floating rate using interest rate swaps on a case-by-case basis. The Group's policy is to ensure that, in the short term, it is not materially exposed to fluctuations in interest rates in its principal currencies. The Group implements this policy either by borrowing fixed-rate debt or by using interest rate swaps or options so that the interest rates on at least 80% of the Group's projected debt are fixed or capped for one year. For the second and third years, interest rates are fixed within ranges of 30% to 70% and 0% to 40% of projected debt, respectively.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

20 Financial risk management continued

During the year, the Group issued fixed-rate sustainable bonds of €750m ($806m) and €500m ($557m) maturing in 2031 and 2033, respectively. The Group entered into cross currency and interest rate swaps to effectively convert these to US dollars and euros paying a floating interest rate. The bonds and swaps are accounted for as fair value hedges and net investment hedges.

The sensitivity analysis given below has been determined based on the derivative and non-derivative financial instruments the Group had in place at the year-end date.

The effect of a 1% increase in interest rates prevailing at the balance sheet date on the Group's cash and cash equivalents and debt subject to variable rates of interest at the balance sheet date would be to decrease profit for the year (after tax) by $14m (2023: increase of $1m). A similar 1% decrease in interest rates would result in an equal and opposite effect.

	2024				
Interest rate sensitivity analysis	**US dollar $m**	**Sterling $m**	**Euro $m**	**Other $m**	**Total $m**
Increase in interest rate	**+1%**	**+1%**	**+1%**	**+1%**	
Floating rate exposure – debt	**(666)**	**(629)**	**(241)**	**(274)**	**(1,810)**
Decrease in profit for the year (after tax)	**(5)**	**(5)**	**(2)**	**(2)**	**(14)**

	Restated[1] 2023				
Interest rate sensitivity analysis	US dollar $m	Sterling $m	Euro $m	Other $m	Total $m
Increase in interest rate	+1%	+1%	+1%	+1%	
Floating rate exposure – (debt)/cash	(208)	275	(29)	93	131
(Decrease)/increase in profit for the year (after tax)	(2)	2	–	1	1

1. See note 1.

These changes are the result of the exposure to interest rates from the Group's floating-rate cash and cash equivalents and debt. The sensitivity gains and losses given above may vary because cash flows vary throughout the year and interest rate and currency hedging may be implemented after the year-end date in order to comply with the treasury policies outlined above.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Group's policy is to minimise its exposure to credit risk from the failure of any single financial counterparty by spreading its risk across a portfolio of financial counterparties and managing the aggregate exposure to each against certain pre-agreed limits. Exposure to counterparty credit risk arising from deposits and derivatives (including forward currency contracts and cross currency swaps) is concentrated at the Group centre where possible. Financial counterparty limits are derived from the long-term and short-term credit ratings, and the balance sheet strength of the financial counterparty. All financial counterparties are required to have a minimum long-term credit rating from Moody's of Baa2 and a short-term credit rating from Moody's of P-2 or equivalent from another recognised agency. To reduce credit exposures, the Group has International Swaps and Derivatives Association (ISDA) Master Agreements with all of its counterparties for financial derivatives, which permit net settlement of assets and liabilities in certain circumstances. The maximum exposure to credit risk resulting from financial activities, without considering netting arrangements, is equal to the carrying value of the Group's financial assets.

At 30 September 2024, 70% of cash and cash equivalents were held with investment-grade bank counterparties, 20% with AAA money market funds and 10% with non-investment-grade bank counterparties. In addition, 100% of derivative instruments were held with investment-grade bank counterparties.

Credit sales are only made after credit approval procedures have been completed satisfactorily. The policy for making provisions for expected credit losses varies from country to country as different countries and markets have different payment practices. Various factors are considered, including how overdue the debt is, the type of receivable and its past history, and current market and trading conditions. Full provision is made for debts that are not considered to be recoverable.

There is limited concentration of credit risk with respect to trade and other receivables due to the diverse and unrelated nature of the Group's client and supplier base. Expected credit losses are measured using historical cash collection data grouped according to payment terms. The historical default rates are adjusted where macroeconomic factors are expected to have a significant impact when determining future expected credit loss rates. The expected credit loss provision is calculated using a provision matrix, in which the provision increases as balances age.

Trade and other receivables are written off when there is no reasonable expectation of recovery and enforcement activity has ceased. An impairment analysis is performed at each reporting date to measure expected credit losses. Accordingly, the directors believe that there is no further credit provision required in excess of the provision for the impairment of receivables. The book value of trade and other receivables represents the Group's maximum exposure to credit risk.

At 30 September 2024, trade receivables of $766m (2023: $590m) were past due but not impaired (see note 16). The Group has made a provision based on a number of factors, including past history of the debtor and expected credit losses, and all amounts not provided for are considered to be recoverable.

20 Financial risk management continued

Management has considered the impact of reasonable changes in the expected credit loss rates used in the estimates made and does not consider that a reasonable change would lead to a material adjustment to the estimate in the next 12 months.

Hedging activities

An analysis of the Group's derivative financial instruments is shown below:

	2024				Restated[1] 2023			
Derivative financial instruments	Current assets $m	Non-current assets $m	Current liabilities $m	Non-current liabilities $m	Current assets $m	Non-current assets $m	Current liabilities $m	Non-current liabilities $m
Fair value hedges								
Interest rate swaps	–	**4**	**(19)**	**(67)**	–	–	(32)	(143)
Cross currency swaps	–	**1**	–	**(105)**	–	–	–	(107)
Net investment hedges								
Cross currency swaps	**12**	**60**	–	–	–	–	–	(1)
Forward currency contracts	**11**	–	**(1)**	–	2	–	(11)	–
Cash flow hedges								
Forward currency contracts	**1**	–	**(1)**	–	–	–	–	–
Not in a hedging relationship								
Interest rate swaps	**12**	**4**	–	**(12)**	11	55	–	(2)
Interest rate options	–	–	–	**(3)**	–	–	–	–
Forward currency contracts	–	–	–	–	9	–	(2)	–
Total	**36**	**69**	**(21)**	**(187)**	22	55	(45)	(253)

1. See note 1.

On adoption of IFRS 9 Financial Instruments, the Group elected to continue to apply the hedge accounting guidance in IAS 39 Financial Instruments: Recognition and Measurement.

Fair value hedges

The Group uses interest rate and cross currency swaps to hedge the fair value of some of its fixed-rate borrowings. These instruments swap the fixed interest payable on the borrowings into floating interest rates and hedge the fair value of the borrowings against changes in interest rates and foreign exchange rates. These swaps all qualify for fair value hedge accounting as defined by IAS 39.

Net investment hedges

The Group uses foreign currency-denominated debt, cross currency swaps and forward currency contracts to partially hedge against the change in the sterling value of its foreign currency-denominated net assets due to movements in foreign exchange rates.

The carrying value of debt and derivatives in a net investment hedge was $1,196m (2023: $851m). A foreign exchange gain of $318m (2023: $203m) relating to the net investment hedges has been netted off during the year within currency translation differences as presented in the consolidated statement of comprehensive income. During the year, cumulative foreign exchange gains on net investment hedges attributable to business disposals of $8m (2023: losses of $4m) were recycled to the consolidated income statement. The balance remaining in the foreign currency translation reserve from net investment hedging relationships for which hedge accounting continues to apply is a loss of $566m (2023: $876m) and for which hedge accounting is no longer applied is $nil (2023: $nil).

Derivatives not in a hedging relationship

The Group has a number of derivative financial instruments that do not meet the criteria for hedge accounting. These include some interest rate swaps, interest rate options and forward currency contracts used for interest and cash management.

Impact of hedging activities

The impact of the hedged items on the Group's financial statements is as follows:

	2024			Restated[1] 2023		
Hedged items	Carrying amount of the hedged items $m	Accumulated amount of fair value hedge adjustments on the hedged items included in the carrying amount of the hedged items $m	Change in fair value of hedged items used to determine hedge effectiveness $m	Carrying amount of the hedged items $m	Accumulated amount of fair value hedge adjustments on the hedged items included in the carrying amount of the hedged items $m	Change in fair value of hedged items used to determine hedge effectiveness $m
Fair value hedges						
Interest rate risk						
Short-term borrowings	**(623)**	**12**		(1,124)	22	
Long-term borrowings	**(3,139)**	**88**		(2,083)	238	
Total	**(3,762)**	**100**	**(175)**	(3,207)	260	(32)

1. See note 1.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

20 Financial risk management continued

The impact of the hedging instruments on the Group's financial statements is as follows:

Hedging instruments	2024 Nominal amount of the hedging instruments $m	2024 Carrying amount of the hedging instruments $m	2024 Change in fair value of hedging instruments used to determine hedge effectiveness $m	Restated[1] 2023 Nominal amount of the hedging instruments $m	Restated[1] 2023 Carrying amount of the hedging instruments $m	Restated[1] 2023 Change in fair value of hedging instruments used to determine hedge effectiveness $m
Fair value hedges						
Interest rate risk						
Derivative financial instruments – non-current assets	**1,395**	**5**		–	–	
Derivative financial instruments – current liabilities	**635**	**(19)**		1,146	(32)	
Derivative financial instruments – non-current liabilities	**1,853**	**(172)**		2,336	(250)	
Total	**3,883**	**(186)**	**172**	3,482	(282)	33
Net investment hedges						
Foreign currency risk						
Derivative financial instruments – current assets	**(1,553)**	**23**		(1,067)	2	
Derivative financial instruments – non-current assets	**(1,137)**	**60**		(308)	–	
Derivative financial instruments – current liabilities	**(201)**	**(1)**		(467)	(11)	
Derivative financial instruments – non-current liabilities	**–**	**–**		(215)	(1)	
Short-term borrowings	**(425)**	**(422)**		(352)	(352)	
Long-term borrowings	**(858)**	**(856)**		(493)	(489)	
Total	**(4,174)**	**(1,196)**	**318**	(2,902)	(851)	203

1. See note 1.

The notional amount of interest rate and cross currency swaps by currency is as follows:

Notional amount of interest rate and cross currency swaps by currency	2024 Fair value hedges $m	2024 Net investment hedges $m	2024 Not in a hedging relationship $m	Restated[1] 2023 Fair value hedges $m	Restated[1] 2023 Net investment hedges $m	Restated[1] 2023 Not in a hedging relationship $m
US dollar	**300**	**813**	**885**	652	–	1,424
Sterling	**1,072**	**–**	**–**	976	–	305
Euro	**2,511**	**649**	**313**	1,854	522	485
Japanese yen	**–**	**–**	**60**	–	–	92
Other	**–**	**–**	**325**	–	–	592
Total	**3,883**	**1,462**	**1,583**	3,482	522	2,898

1. See note 1.

The effective currency denomination of borrowings and leases after the effect of derivatives is as follows:

Effective currency denomination of borrowings and leases after the effect of derivatives	2024 Gross borrowings $m	2024 Lease liabilities $m	2024 Forward currency contracts[2] $m	2024 Effective currency of borrowings $m	Restated[1] 2023 Gross borrowings $m	Restated[1] 2023 Lease liabilities $m	Restated[1] 2023 Forward currency contracts[2] $m	Restated[1] 2023 Effective currency of borrowings $m
US dollar	**771**	**672**	**1,214**	**2,657**	1,231	550	835	2,616
Sterling	**1,334**	**286**	**(946)**	**674**	1,157	261	(857)	561
Euro	**2,480**	**203**	**(1,103)**	**1,580**	1,716	184	(773)	1,127
Japanese yen	**–**	**–**	**141**	**141**	–	–	104	104
Other	**11**	**154**	**703**	**868**	10	158	714	882
Total	**4,596**	**1,315**	**9**	**5,920**	4,114	1,153	23	5,290

1. See note 1.
2. Includes cross currency contracts.

20 Financial risk management continued

Maturity analysis of the contractual cash flows of financial liabilities

The following table provides an analysis of the expected contractual cash flows, including interest payable, of certain financial liabilities and derivative financial instruments on an undiscounted basis. Where interest payments are calculated at a floating rate, rates of each cash flow until maturity of the instruments are calculated based on the forward yield curve prevailing at the respective year-ends. The gross cash flows of derivatives are presented net for the purposes of this table.

Maturity analysis of the contractual cash flows of financial liabilities	2024 Less than 1 year $m	Between 1 and 2 years $m	Between 2 and 3 years $m	Between 3 and 4 years $m	Between 4 and 5 years $m	Over 5 years $m	Total $m	Carrying amount $m
Borrowings	**834**	**335**	**300**	**558**	**402**	**2,288**	**4,717**	**4,596**
Interest on borrowings	**137**	**117**	**101**	**93**	**85**	**188**	**721**	**48**
Trade and other payables	**6,570**	**80**	**87**	**3**	**27**	**1**	**6,768**	**6,752**
Lease liabilities	**282**	**255**	**212**	**173**	**150**	**553**	**1,625**	**1,315**
Interest rate swaps	**30**	**14**	**10**	**10**	**11**	**5**	**80**	**78**
Cross currency swaps	**36**	**17**	**36**	**85**	**16**	**(10)**	**180**	**32**
Forward currency contracts	**(10)**	**–**	**–**	**–**	**–**	**–**	**(10)**	**(10)**

Maturity analysis of the contractual cash flows of financial liabilities	Restated[1] 2023 Less than 1 year $m	Between 1 and 2 years $m	Between 2 and 3 years $m	Between 3 and 4 years $m	Between 4 and 5 years $m	Over 5 years $m	Total $m	Carrying amount $m
Borrowings	1,349	706	305	300	530	1,201	4,391	4,114
Interest on borrowings	102	88	68	54	45	106	463	45
Trade and other payables	4,996	164	30	5	–	16	5,211	5,207
Lease liabilities	244	214	189	155	125	517	1,444	1,153
Interest rate swaps	22	29	18	16	15	23	123	111
Cross currency swaps	31	35	31	33	55	2	187	108
Forward currency contracts	2	–	–	–	–	–	2	2

1. See note 1.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

21 Financial instruments

Significant accounting policy

Financial assets and liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument and derecognised when it ceases to be party to such provisions. Financial assets are classified as current if they are expected to be received within 12 months of the balance sheet date. Financial liabilities are classified as current if they are legally due to be paid within 12 months of the balance sheet date.

Financial assets and liabilities, including derivative financial instruments, denominated in foreign currencies are translated into US dollars at period-end exchange rates. Financial assets are classified as either fair value through profit and loss, fair value through other comprehensive income or amortised cost. Classification and subsequent remeasurement depends on the Group's business model for managing the financial asset and its cash flow characteristics. Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost.

Certain of the Group's financial instruments are held at fair value.

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the balance sheet date.

The fair value measurement hierarchy is as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs)

There were no transfers of financial instruments between levels of the fair value hierarchy in either the year ended 30 September 2024 or 2023. The carrying amounts of financial instruments measured at fair value are shown in the table below:

Financial instruments measured at fair value	Notes	Level	2024 $m	Restated[1] 2023 $m
Non-current				
Rabbi Trust investments[2]	15	1	**1,022**	760
Mutual fund investments[2]	15	1	**62**	58
Other investments[2]	15	1	**–**	15
Life insurance policies[2]	15	2	**36**	35
Derivative financial instruments – assets	20	2	**69**	55
Derivative financial instruments – liabilities	20	2	**(187)**	(253)
Trade investments[2]	15	3	**29**	181
Contingent consideration payable on business acquisitions[3]	22	3	**(102)**	(97)
Non-controlling interest put options[3]	22	3	**(65)**	(22)
Current				
Money market funds[4]	18	1	**126**	510
Derivative financial instruments – assets	20	2	**36**	22
Derivative financial instruments – liabilities	20	2	**(21)**	(45)
Contingent consideration payable on business acquisitions[3]	22	3	**(250)**	(61)
Non-controlling interest put options[3]	22	3	**(5)**	–

1. See note 1.
2. Classified as other investments in the consolidated balance sheet.
3. Classified as trade and other payables in the consolidated balance sheet.
4. Classified as cash and cash equivalents in the consolidated balance sheet on the basis that they have a maturity of three months or less from the date of acquisition.

Due to the variability of the valuation factors, the fair values presented at 30 September 2024 may not be indicative of the amounts the Group would expect to realise in the current market environment. The fair values of financial instruments at levels 2 and 3 of the fair value hierarchy have been determined based on the valuation methodologies listed below:

Level 2

Life insurance policies Cash surrender values provided by third-party insurance providers.

Derivative financial instruments Present values determined from future cash flows discounted at rates derived from market-sourced data. The fair values of derivative financial instruments represent the maximum credit exposure.

21 Financial instruments continued

Level 3

Trade investments Estimated values using income and market value approaches.

Contingent consideration payable on business acquisitions Estimated amounts payable based on the likelihood of specified conditions, such as earnings targets, being met.

Non-controlling interest put options Estimated amounts payable based on the likelihood of options being exercised by minority shareholders.

A reconciliation from opening to closing balances for Level 3 financial instruments is as follows:

	2024			Restated[1] 2023		
Level 3 financial instruments	**Trade investments $m**	**Contingent consideration payable on business acquisitions $m**	**Non-controlling interest put options $m**	Trade investments $m	Contingent consideration payable on business acquisitions $m	Non-controlling interest put options $m
At 1 October	**181**	**(158)**	**(22)**	142	(77)	(50)
Change in fair value recognised in the income statement	**–**	**(67)**	**–**	–	(4)	–
Change in fair value recognised in the statement of comprehensive income	**175**	**–**	**–**	39	–	–
Change in fair value recognised in the statement of changes in equity	**–**	**–**	**7**	–	–	16
Additions	**–**	**(153)**	**(54)**	–	(121)	(2)
Disposals	**(327)**	**–**	**–**	–	–	–
Purchase of non-controlling interests	**–**	**–**	**–**	–	–	10
Payments relating to businesses acquired in previous years	**–**	**50**	**–**	–	44	4
Net present value adjustments	**–**	**(9)**	**–**	–	(6)	–
Currency translation	**–**	**(15)**	**(1)**	–	6	–
At 30 September	**29**	**(352)**	**(70)**	181	(158)	(22)

1. See note 1.

The directors do not consider that any reasonably possible changes in the key assumptions would cause the fair value of the Level 3 financial instruments to be significantly higher or lower.

With the exception of borrowings, the carrying amounts of financial instruments measured at amortised cost approximate to their fair values. Borrowings are measured at amortised cost unless they are part of a fair value hedge, in which case amortised cost is adjusted for the fair value attributable to the risk being hedged. The carrying amount of borrowings at 30 September 2024 is $4,596m (2023: $4,114m). The fair value of borrowings at 30 September 2024, calculated by discounting future cash flows to net present values at current market rates for similar financial instruments (Level 2 inputs), is $4,625m (2023: $4,131m).

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

22 Trade and other payables

Significant accounting policy

Trade and other payables are initially recognised at fair value, including transaction costs, and subsequently carried at amortised cost.

Trade payables are not interest-bearing and are stated at their nominal value.

The Group evaluates supplier arrangements against a number of indicators to assess if the liability has the characteristics of a trade payable or should be classified as borrowings. This assessment considers the commercial purpose of the arrangement, whether the payment terms are similar to customary payment terms, whether the Group is legally discharged from its obligation towards the supplier before the end of the original payment term and the Group's involvement in agreeing terms between the bank and the supplier.

Contingent consideration recognised in a business combination is initially measured at fair value at the date of acquisition and subsequently remeasured at fair value at each reporting date, with changes in the fair value after the date of acquisition recognised in the income statement.

	2024			Restated[1] 2023		
Trade and other payables	**Current $m**	**Non-current $m**	**Total $m**	Current $m	Non-current $m	Total $m
Trade payables	**3,317**	**–**	**3,317**	2,940	–	2,940
Accruals	**2,896**	**9**	**2,905**	2,464	27	2,491
Deferred income	**554**	**214**	**768**	347	205	552
Social security and other taxes	**569**	**32**	**601**	619	34	653
Contingent consideration payable on business acquisitions	**250**	**102**	**352**	61	97	158
Non-controlling interest put options	**5**	**65**	**70**	–	22	22
Other payables[2]	**581**	**41**	**622**	735	58	793
Total	**8,172**	**463**	**8,635**	7,166	443	7,609

1. See note 1.
2. Includes a $119m (2023: $184m) commitment in respect of the share buyback.

The current trade and other payables are payable on demand.

Trade payable days at 30 September 2024 were 65 days (2023: 64 days on a constant-currency basis).

Supply chain financing

The Group has Supply Chain Financing (SCF) arrangements in place. The principal purpose of these arrangements is to enable the supplier, if it so wishes, to sell its receivables due from the Group to a third-party bank prior to their due date, thus providing earlier access to liquidity. From the Group's perspective, the invoice payment due date remains unaltered and the payment terms of suppliers participating in the SCF programmes are similar to those of suppliers that are not participating, and to the wider industry more generally.

If a receivable is purchased by a third-party bank, that third-party bank does not benefit from additional security when compared to the security originally enjoyed by the supplier.

At 30 September 2024, the value of invoices sold under the SCF programmes was $1,025m, with $989m related to the Group's programme in the US (2023: $963m and $897m, respectively). These amounts are included in trade payables and all cash flows associated with the programmes are included in net cash flow from operating activities as they continue to be part of the normal operating cycle of the Group.

23 Provisions

Significant accounting policy

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the directors' best estimate of the cost of settling these liabilities and are discounted to present value where the effect is material using the discount rate applicable to the liability.

Provisions	Workers' compensation and similar obligations $m	Severance $m	Onerous contracts $m	Legal and other claims $m	Provisions in respect of discontinued and disposed businesses $m	Other $m	Total $m
At 1 October 2022 (restated[1])	462	49	37	29	13	57	647
Charged to income statement – strategic portfolio review	–	2	18	–	–	4	24
Charged to income statement – other	168	–	16	7	–	8	199
Released to income statement	(40)	(1)	(13)	(5)	–	(4)	(63)
Utilised in the year	(121)	(35)	(20)	(4)	–	(6)	(186)
Sale and closure of businesses	–	–	–	–	(1)	(1)	(2)
Net present value adjustments	9	–	–	–	–	–	9
Reclassification	–	(13)	1	–	–	5	(7)
Currency adjustment	2	4	1	1	–	4	12
At 30 September 2023 (restated[1])	480	6	40	28	12	67	633
Charged to income statement – strategic portfolio review	–	**5**	–	–	–	**9**	**14**
Charged to income statement – sale and closure of businesses	–	–	–	–	**63**	–	**63**
Charged to income statement – other	**172**	**9**	**9**	**15**	–	**7**	**212**
Released to income statement	**(17)**	**(2)**	**(9)**	**(1)**	–	**(2)**	**(31)**
Utilised in the year	**(139)**	**(2)**	**(18)**	**(8)**	–	**(7)**	**(174)**
Business acquisitions	–	–	**1**	**1**	–	**3**	**5**
Sale and closure of businesses	–	–	–	–	–	**(14)**	**(14)**
Transfer to held for sale	–	**(1)**	–	–	–	**(7)**	**(8)**
Net present value adjustments	**10**	–	–	–	–	–	**10**
Reclassification	–	–	**5**	**(3)**	**(2)**	**(3)**	**(3)**
Currency adjustment	**2**	–	**1**	**1**	**1**	**2**	**7**
At 30 September 2024	**508**	**15**	**29**	**33**	**74**	**55**	**714**

1. See note 1.

Comprised of	2024 $m	Restated[1] 2023 $m
Current	**370**	284
Non-current	**344**	349
Total	**714**	633

1. See note 1.

23 Provisions continued

In estimating the provisions above, management has made estimates and used assumptions in determining the nature, amount and timing of potential outflows. Management does not consider that a reasonable change in key assumptions in any of the provision estimates made at the date of the balance sheet could lead to a material adjustment in the next 12 months to the carrying amount of the liability recorded.

Workers' compensation and similar obligations The provision for workers' compensation and similar obligations relates mainly to the potential settlement of claims by employees in the US for medical benefits and lost wages associated with injuries incurred in the course of their employment, and is essentially long-term in nature. The provision is estimated with the assistance of a third-party actuary using assumptions based on claims history. The maximum potential exposure per individual claim is $2m.

Severance Provisions for severance primarily represent redundancy costs. The Group expects these provisions to be substantially utilised within the next year.

Onerous contracts A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. Provisions for onerous contracts represent the liabilities in respect of unavoidable contract losses which will be utilised over the remaining life of each individual contract. The typical length of a client contract is three to five years. A full analysis is performed at least annually of the future profitability of all loss-making contracts and contracts with low profitability, and of the balance sheet items directly linked to these contracts.

Legal and other claims Provisions for legal and other claims relate principally to provisions for the estimated cost of litigation and other sundry claims. The timing of the settlement of these claims is uncertain.

Provisions in respect of discontinued and disposed businesses Provisions in respect of discontinued and disposed businesses relate to estimated amounts payable in connection with onerous contracts and claims in respect of warranties and indemnities arising from disposals. The final amount payable remains uncertain as, at the date of approval of these financial statements, negotiations in relation to claims are ongoing and there remains a period during which further claims may be received. The timing of any settlement will depend upon the nature and extent of claims received.

Other Other provisions include environmental provisions in respect of potential liabilities relating to the Group's responsibility for maintaining its operating sites in accordance with statutory requirements. The Group's aim is to have a low impact on the environment. These provisions are expected to be utilised as operating sites are closed or as environmental matters are resolved.

24 Post-employment benefits

Significant accounting policy

Pension obligations

The Group operates two types of pension plans:

- defined contribution plans where the Group makes contributions to a member's pension plan, but has no further payment obligations once the contributions have been paid
- defined benefit plans which provide pension payments upon retirement to members as defined by the plan rules

For defined contribution plans, the Group pays contributions to separately administered pension plans. The contributions payable by the Group are charged to the consolidated income statement when they are due. Payments made to state-managed schemes are treated as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution pension plan.

For defined benefit plans, the calculation of the defined benefit obligation is performed half-yearly by a qualified actuary using the projected unit credit method. A current service cost is recognised which represents the expected present value of the defined benefit pension entitlement earned by members in the period. The consolidated balance sheet reflects a net asset or net liability for each defined benefit pension plan. The net asset or liability recognised is the present value of the defined benefit obligation discounted using the yields on high-quality corporate bonds, less the fair value of plan assets (at bid price), if any. If the fair value of the plan assets exceeds the defined benefit obligation, a pension surplus is only recognised if the Group considers that it has an unconditional right to a refund.

For the UK defined benefit plan, the Group considers that it has an unconditional right to a refund of a surplus, assuming the gradual settlement of the plan liabilities over time until all members have left the plan. The trustees cannot unconditionally wind up the plan or use the surplus to enhance member benefits without employer consent. The Group's judgement is that these trustee rights do not prevent the Group from recognising an unconditional right to a refund and therefore a surplus.

Net interest income (if a plan is in surplus) or net interest expense (if a plan is in deficit) is calculated using yields on high-quality corporate bonds and recognised in the consolidated income statement.

Remeasurements, which include gains and losses as a result of changes in actuarial assumptions, the effect of the limit on the plan surplus (if any) and returns on plan assets (other than amounts included in net interest) are recognised in the consolidated statement of comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Other post-employment obligations

Some Group companies provide other post-employment benefits. The expected costs of these benefits are accrued over the period of employment using a similar basis to that used for defined benefit pension schemes. Actuarial gains and losses are recognised immediately in the consolidated statement of comprehensive income.

The non-qualified deferred compensation plans in the US (Rabbi Trust arrangements) do not meet the definition of a defined contribution plan under IAS 19 and are, therefore, accounted for as defined benefit plans.

Major source of estimation uncertainty

The present value of defined benefit liabilities is estimated based on actuarial assumptions determined with independent actuarial advice, including discount rates, inflation, pension and salary increases, and mortality and other demographic assumptions. A reasonably possible change in the assumptions used to derive these estimates could have a material effect on the present value of defined benefit liabilities in the next 12 months. The key assumptions used to value the liabilities, together with sensitivity analysis, are set out below.

Climate change

Plan assets

The trustees of the Compass Group Pension Plan (UK Plan), the Group's largest defined benefit plan, have integrated climate change considerations into their long-term decision-making and reporting processes across all classes of assets, actively engaging with all fund and portfolio managers.

Defined benefit obligations

The actuarial assumptions used to calculate the present value of defined benefit obligations comprise financial and demographic assumptions. The key financial assumptions are discount rates and inflation and, as these reflect long-term market expectations, they implicitly reflect the market's expectations of the potential impact of climate change. The directors have considered the potential impact of climate change on demographic assumptions, in particular on the long-term mortality assumptions and, at the present time, do not believe that there is sufficient evidence to require a change in the assumptions used in the calculation of the defined benefit liabilities. The directors will continue to monitor any potential future impact on the assumptions used.

24 Post-employment benefits continued

Pension schemes

The Group operates a number of pension arrangements throughout the world which have been developed in accordance with statutory requirements and local customs and practices. The majority of schemes are self-administered and the schemes' assets are held independently of the Group's assets. Pension costs are assessed in accordance with the advice of independent, professionally qualified actuaries.

UK schemes

Current UK employees in a pension arrangement are in the Compass Retirement Income Savings Plan (CRISP) section of the UK Plan, a GAD section of the UK Plan or the National Employment Savings Trust (NEST).

Prior to 1 January 2024, the main vehicle for pension provision for eligible new joiners in the UK was CRISP. CRISP was a defined contribution (money purchase) arrangement whereby the Group matched employee contributions up to 6% of pay (minimum 5%). Senior employees who contributed to CRISP were also offered a Compass Higher Income Plan (CHIP) payment that they could take as an additional employer-only pension contribution or, in part or in whole, as a cash allowance instead of a pension contribution. On 1 January 2024, CRISP transferred into the UK Plan and, from that date, eligible new joiners in the UK have been invited to join the CRISP section of the UK Plan with the same matched contribution structure and additional employer-only pension contribution for senior employees who choose to take their CHIP payment in that way.

The GAD section of the UK Plan is a defined benefit arrangement, which provides predominantly final salary benefits. Those UK employees who transferred from the public sector under the Transfer of Undertakings (Protection of Employment) Regulations 2006, typically up until 31 March 2015, have been eligible to join the UK Plan, which has otherwise been closed to new entrants since 2003. Such transferees entered into the GAD section of the UK Plan and are known as 'GAD members'. However, under the UK government's revised guidance for 'Fair Deal for staff pensions', the expectation is, and the approach has been, that the Group participates in the relevant public sector pension scheme and closes the UK Plan to future entrants. The UK Plan closed to future accrual for all existing members, other than GAD members, on 5 April 2010. The affected members were offered membership of CRISP from 6 April 2010.

The GAD section of the UK Plan operates on a funded basis. The funding policy is to contribute such variable amounts, on the advice of the actuary, as to achieve a 100% funding level on a projected salary basis. The actuarial assessments covering expense and contributions are carried out by independent qualified actuaries. A formal actuarial valuation of the GAD section is carried out every three years. The most recent valuation of the GAD section took place as at 5 April 2022. At the valuation date, the total market value of the assets of the GAD section was $3,420m, which represented 113% of the benefits that had accrued to members after allowing for expected future increases in earnings. With effect from 1 October 2022, the Company has paid contributions to the GAD section at a revised rate of 47.1% of pensionable pay (previously 57.2%) and, with effect from 1 January 2024, the schedule of contributions was revised to reflect the CRISP section contributions.

The GAD section of the UK Plan is reappraised half-yearly for accounting purposes by independent actuaries in accordance with IAS 19 Employee Benefits requirements.

The UK Plan has a corporate trustee, Compass Group Pension Trustee Company Limited (the Trustee). Following the transfer of CRISP into the UK Plan on 1 January 2024, there are 12 trustee directors, including an independent chairman and one other independent trustee director. The other 10 trustee directors are either UK-based employees or former employees of the Group (three of whom have been nominated by UK Plan members). The composition of the Trustee board, including the arrangements relating to trustee directors nominated by members, is currently being reviewed by the Trustee and the Company and the results of the review will be implemented by no later than 31 December 2024. The UK Plan operates under the Fifth Definitive Trust Deed dated 25 March 2013 and subsequent amendments and relevant legislation (principally the Pensions Acts 1993, 1995, 2004 and 2021), with regulatory oversight from the Pensions Regulator. A new section of the rules was created following the transfer of CRISP into the UK Plan to mirror the existing CRISP rules.

The Group is subject to the Pension Automatic Enrolment Regulations for its workforce in the UK. All new UK employees who meet the statutory eligibility criteria, and who do not join the CRISP section, are automatically enrolled into the NEST. Responsibility for the Group's ongoing compliance with the Pension Automatic Enrolment Regulations and for ensuring that the administration and investment of funds relating to automatic enrolment remain appropriate lies with the Group's Pension Automatic Enrolment Governance Committee.

In June 2023, the High Court handed down a decision in the case of Virgin Media Limited v NTL Pension Trustees II Limited and others relating to the validity of certain historical pension changes due to the lack of actuarial confirmation required by law. In July 2024, the Court of Appeal dismissed the appeal brought by Virgin Media Limited against aspects of the June 2023 decision. The Trustee and the Company have considered the implications of the case for the UK Plan. Based on the outcome of a legal review of the UK Plan's governing deeds and rules provided by the Trustee's lawyers, the UK Plan is not impacted by the outcome of the case.

US schemes

In the US, the main vehicle for retirement provision is the defined contribution plan. There are several legacy defined benefit plans which are all closed to new participants. These legacy defined benefit plans are non-qualified plans that are intended to be unfunded arrangements for US tax and Employee Retirement Income Security Act (ERISA) purposes. Compass USA has taken out life insurance policies and invested in mutual funds to meet these unfunded defined benefit pension obligations, working towards a 100% funding level on a projected salary basis.

The Group also has non-qualified deferred compensation plans (Rabbi Trust arrangements), which are salary sacrifice schemes providing a tax-efficient way of saving for senior management. Employee and employer contributions credited to the plans are deemed invested on behalf of the employees in investment funds and they are entitled to the account balance, as adjusted for deemed investments, on or after leaving the Group. Plan benefits are paid in cash. Participants can elect to receive payment either as a lump sum or in annual instalments over 5 or 10 years.

24 Post-employment benefits continued

Compass USA engages with a number of unions and is required to abide by the individual collective bargaining agreements (CBAs) negotiated with each union. Under the terms of certain CBAs, Compass USA is required to pay the union members' salary and contribute to various multi-employer benefit plans which include: post-employment benefits, including pensions and post-employment healthcare; defined contribution plans, such as 401(k) and annuity and savings plans; and other plans which include legal funds, training funds and education funds.

Participation in multi-employer pension plans bears risks that differ from single-employer plans. These risks include:

- assets contributed to the plans by Compass USA may be used to provide benefits to employees of other participating employers i.e. there are no individual accounts in these plans
- if a participating employer stops contributing to the plan for any reason, the unfunded obligation remaining may transition to the remaining employers participating in the plan
- if Compass USA stops participating in the plan for any reason, or has a significant decrease in its level of participation, it may be required to pay a proportionate amount to the plan for its share of the unfunded liability, known as withdrawal liability

Compass USA is involved with 41 multi-employer defined benefit pension plans (2023: 38). The Group is not aware, and has no reasonable expectation, that any plan in which it currently participates is in imminent danger of becoming insolvent or is likely to experience a mass withdrawal.

These plans are accounted for as defined contribution plans as the information provided by the plan administrators is insufficient for them to be accounted for as defined benefit plans. The Group made total contributions of $52m in the year (2023: $54m) to these arrangements.

Other schemes

In Canada, Germany, Norway, Spain and Switzerland, the Group also participates in funded defined benefit arrangements. In other countries, Group employees participate primarily in state arrangements to which the Group makes the appropriate contributions.

Other than where required by local regulation or statute, the defined benefit schemes are closed to new entrants. For these schemes, the current service cost will increase under the projected unit credit method as the members of the schemes approach retirement.

Defined benefit schemes

The Group's obligations in respect of defined benefit pension schemes are calculated separately for each scheme by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years. That benefit is discounted to determine its present value and the fair value of scheme assets is then deducted. The discount rate used is the yield at the valuation date on high-quality corporate bonds, with terms consistent with the timing of the expected benefit payments over future years.

The Group takes advice from independent actuaries relating to the appropriateness of the assumptions, which include inflation, expected salary and pension increases, and life expectancy of members. It is important to note that comparatively small changes in the assumptions used may have a significant effect on the consolidated income statement and balance sheet.

The split of defined benefit liabilities on an IAS 19 basis between active, deferred and pensioner members is shown below:

Split of defined benefit liabilities	2024			2023		
	Active	Deferred	Pensioner	Active	Deferred	Pensioner
UK Plan	**1%**	**41%**	**58%**	1%	43%	56%
UK unfunded arrangements	–	**4%**	**96%**	–	4%	96%
US[1]	**38%**	**1%**	**61%**	40%	1%	59%
Other	**67%**	**3%**	**30%**	65%	3%	32%

1. Excluding the Rabbi Trust arrangements.

Disclosures showing the assets and liabilities of the schemes are set out below. The liabilities have been calculated using the following assumptions, which are presented as weighted averages where appropriate:

Assumptions	UK schemes		US schemes[1]		Other schemes	
	2024	2023	2024	2023	2024	2023
Discount rate	**5.1%**	5.7%	**4.7%**	5.6%	**5.9%**	6.1%
Inflation	**3.4%**	3.6%	**2.3%**	2.3%	**1.3%**	1.5%
CPI inflation	**3.0%**	3.2%	**n/a**	n/a	**n/a**	n/a
Rate of increase in salaries	**3.4%**	3.6%	**3.2%**	3.2%	**6.6%**	4.7%
Rate of increase for pensions in payment	**3.2%**	3.3%	**2.3%**	2.3%	**0.2%**	0.2%
Rate of increase for deferred pensions	**3.2%**	3.3%	**n/a**	n/a	**n/a**	n/a

1. Excluding the Rabbi Trust arrangements.

The mortality assumptions used to value the UK pension schemes are derived from the S3PA generational mortality tables (2023: S3PA generational mortality tables) with improvements in line with the projection model prepared by the 2023 Continuous Mortality Investigation of the UK actuarial profession (2023: 2022 model), with an S-kappa of 7.0 (2023: 7.0), with 115% (2023: 115%) weighting for male non-pensioners and 109% (2023: 109%) weighting for male pensioners, 103% (2023: 103%) weighting for female non-pensioners and 99% (2023: 99%) weighting for female pensioners, and with a long-term underpin of 1.5% per annum (2023: 1.5% per annum). These mortality assumptions take account of experience to date and assumptions for further improvements in the life expectancy of scheme members. The Group estimates the average duration of the liabilities of the UK and US plans to be 12 years (2023: 12 years) and 8 years (2023: 8 years), respectively. Examples of the resulting life expectancies for the UK Plan are as follows:

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

24 Post-employment benefits continued

Life expectancy at age 65	2024 Male	2024 Female	2023 Male	2023 Female
Member aged 65 in 2024 (2023)	**20.9**	**23.6**	20.9	23.6
Member aged 65 in 2049 (2048)	**22.6**	**25.6**	22.6	25.5

The other demographic assumptions have been set having regard to the latest trends in scheme experience and other relevant data. The assumptions are reviewed and updated as necessary as part of the periodic actuarial valuation of pension schemes.

For the overseas schemes, regionally appropriate assumptions have been used where recommended by local actuaries. The mortality assumptions used to value the US schemes are derived from the mortality table Pri-2012 (2023: Pri-2012) and MP2021 generational scale (2023: MP2021). Examples of the resulting life expectancies for the US schemes are as follows:

Life expectancy at age 65	2024 Male	2024 Female	2023 Male	2023 Female
Member aged 65 in 2024 (2023)	**22.0**	**23.5**	22.0	23.4
Member aged 65 in 2049 (2048)	**23.7**	**25.1**	23.7	25.1

Risks

The Group bears a number of risks in relation to its defined benefit pension schemes. These risks and how they are mitigated for the Group's largest defined benefit plan are described below:

Risk	Description of risk	Mitigation
Interest rate	A decrease in corporate bond yields will increase the schemes' benefit obligations under IAS 19. The schemes are therefore exposed to the risk that falls in interest rates will decrease the schemes' surplus.	As part of the investment strategy, the UK Plan aims to mitigate this risk through investment in a liability-driven investment (LDI) portfolio. LDI is a form of investing designed to match to a large extent the movement in pension plan assets with the movement in projected benefit obligations over time.
Inflation	The schemes' benefit obligations are linked to inflation. A higher rate of expected long-term inflation will therefore lead to higher liabilities, for both the IAS 19 and funding liability.	The UK Plan contains caps on increases in scheme benefits to mitigate the risk of increases in inflation. Additionally, the UK Plan invests in LDI products which increase (decrease) in value when expectations of future inflation rates increase (fall), thus providing protection against inflation risk.
Investment	Asset returns can be volatile and there is a risk that the value of pension schemes' assets may not move in line with changes in pension scheme liabilities.	To mitigate against investment risk, the UK Plan invests in a way which aims to hedge a large proportion of the movements in the corresponding liabilities, and investments are diversified across and within asset classes to avoid overexposure to any one asset class or market. The trustees and the Group regularly monitor the funding position and operate a diversified investment strategy.
Life expectancy	The schemes' obligations are to provide benefits for the life of the member and therefore increases in life expectancy will lead to higher liabilities.	The UK Plan's trustees and the Group regularly monitor the impact of changes in longevity on scheme obligations.

Sensitivity analysis

Measurement of the Group's defined benefit obligations is particularly sensitive to changes in key assumptions, including the discount rate, inflation and life expectancy. The sensitivities of the principal assumptions used to measure the defined benefit obligations of the schemes are set out below:

	Increase/(decrease) in defined benefit obligations			
	2024		Restated[1] 2023	
Financial assumptions	+0.5% $m	-0.5% $m	+0.5% $m	-0.5% $m
Discount rate				
UK	**(109)**	**120**	(94)	104
US and other	**(12)**	**13**	(10)	11
Inflation				
UK	**59**	**(58)**	51	(51)
US and other	**5**	**(5)**	4	(4)
CPI inflation				
UK	**12**	**(13)**	11	(11)

1. See note 1.

24 Post-employment benefits continued

Demographic assumptions	Increase in defined benefit obligations 2024 +1 year $m	Restated[1] 2023 +1 year $m
Life expectancy from age 65		
UK	**78**	61
US and other	**6**	5

1. See note 1.

Management has also considered the impact of a 1% change in the discount rate and inflation assumptions used to measure the defined benefit obligations of the UK schemes. A 1% increase or decrease in the discount rate would decrease or increase the liabilities by $208m and $253m (2023: $181m and $220m), respectively. A 1% increase or decrease in inflation would increase or decrease the liabilities by $119m and $115m (2023: $104m and $99m), respectively.

The sensitivities above consider the impact of the single change shown, with the other assumptions assumed to be unchanged. The sensitivity analyses have been determined based on a method that extrapolates the impact on the defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period. In practice, changes in one assumption may be accompanied by offsetting changes in another assumption (although this is not always the case). The impact of a change in the UK inflation rate shown above includes the impact of a change in both the RPI and CPI inflation rates.

The Group's net pension surplus or deficit is the difference between the schemes' assets and liabilities. Changes in the assumptions may occur at the same time as changes in the market value of scheme assets. These may or may not offset the changes in assumptions. For example, a fall in interest rates will increase the schemes' liabilities, but may also trigger an offsetting increase in the market value of certain assets so there may be little effect on the Group's net asset or liability.

Plan assets

At 30 September 2024, the assets of the various schemes were invested in a diversified portfolio that consisted primarily of debt securities and property funds. The UK Plan's unquoted property fund assets comprise a UK property fund of $70m (2023: $189m) and a global property fund of $36m (2023: $160m). The UK property fund's value is based on the net asset value at 30 September 2024. The global property fund's value is based on the net asset value at 30 June 2024. There has been no material change in the fair value of the global property fund between 30 June and 30 September 2024. The majority of the remainder of the UK Plan's assets are held in a bespoke liability-driven investment portfolio in a unit-linked insurance policy managed by Legal & General. The cash balance at 30 September 2024 includes $360m of cash in transit from the redemption of the UK Plan's corporate bond fund, which was invested in the LDI portfolio on 1 October 2024.

The fair value of the Group's plan assets is shown by major category below:

Fair value of plan assets by major category	2024 UK Plan[2] $m	2024 Other $m	2024 Total $m	Restated[1] 2023 UK Plan[2] $m	Restated[1] 2023 Other $m	Restated[1] 2023 Total $m
Equities						
Quoted global equities	**1**	**45**	**46**	–	37	37
Government bonds						
Quoted UK fixed interest	**820**	**–**	**820**	635	–	635
Quoted UK index-linked	**1,090**	**–**	**1,090**	783	–	783
Corporate bonds						
Quoted corporate bonds	**–**	**29**	**29**	314	23	337
Quoted diversified securities	**–**	**20**	**20**	–	17	17
Other						
Quoted property funds	**–**	**10**	**10**	–	25	25
Unquoted property funds	**106**	**18**	**124**	349	–	349
Unquoted insurance policies	**–**	**7**	**7**	–	6	6
Derivatives	**5**	**–**	**5**	(17)	–	(17)
Cash and cash equivalents	**418**	**3**	**421**	99	2	101
Other	**–**	**18**	**18**	1	18	19
At 30 September	**2,440**	**150**	**2,590**	2,164	128	2,292

1. See note 1.
2. The UK Plan does not hold any assets related to the Company's transferable financial instruments. There are no pension assets that are property occupied by, or other assets used by, the Company.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

24 Post-employment benefits continued

Net post-employment benefit assets and obligations recognised in the balance sheet

Post-employment benefit assets/(obligations) recognised in the balance sheet	2024 Fair value of plan assets $m	 Present value of defined benefit obligations $m	 Effect of asset ceiling $m	 Total $m
UK Plan	**2,440**	**(1,898)**	**–**	**542**
Post-employment benefit assets	**2,440**	**(1,898)**	**–**	**542**
UK unfunded arrangements	**–**	**(40)**	**–**	**(40)**
US	**–**	**(1,122)**	**–**	**(1,122)**
Other	**150**	**(261)**	**(1)**	**(112)**
Post-employment benefit obligations	**150**	**(1,423)**	**(1)**	**(1,274)**
Net post-employment benefit obligations	**2,590**	**(3,321)**	**(1)**	**(732)**

Post-employment benefit assets/(obligations) recognised in the balance sheet	Restated[1] 2023 Fair value of plan assets $m	 Present value of defined benefit obligations $m	 Effect of asset ceiling $m	 Total $m
UK Plan	2,164	(1,639)	–	525
Post-employment benefit assets	2,164	(1,639)	–	525
UK unfunded arrangements	–	(34)	–	(34)
US	–	(860)	–	(860)
Other	128	(217)	–	(89)
Post-employment benefit obligations	128	(1,111)	–	(983)
Net post-employment benefit obligations	2,292	(2,750)	–	(458)

1. See note 1.

24 Post-employment benefits continued

Movements in net defined benefit asset/(obligation)	2024 Fair value of plan assets $m	2024 Present value of defined benefit obligations $m	2024 Effect of asset ceiling $m	2024 Total $m	Restated[1] 2023 Fair value of plan assets $m	Restated[1] 2023 Present value of defined benefit obligations $m	Restated[1] 2023 Effect of asset ceiling $m	Restated[1] 2023 Total $m
At 1 October	**2,292**	**(2,750)**	**–**	**(458)**	2,375	(2,567)	(6)	(198)
Reclassification	**–**	**(15)**	**–**	**(15)**	–	–	–	–
Current service cost	**–**	**(32)**	**–**	**(32)**	–	(27)	–	(27)
Past service credit/(cost)	**–**	**1**	**–**	**1**	–	(4)	–	(4)
Administration expenses[2]	**(10)**	**–**	**–**	**(10)**	(6)	–	–	(6)
Interest income/(expense)	**128**	**(157)**	**–**	**(29)**	132	(143)	–	(11)
Remeasurements – financial assumptions	**–**	**(280)**	**–**	**(280)**	–	46	–	46
Remeasurements – demographic assumptions	**–**	**5**	**–**	**5**	–	46	–	46
Remeasurements – experience adjustments	**–**	**(11)**	**–**	**(11)**	–	(59)	–	(59)
Return on plan assets, excluding interest income	**63**	**–**	**–**	**63**	(331)	–	–	(331)
Change in asset ceiling, excluding interest income	**–**	**–**	**(1)**	**(1)**	–	–	6	6
Employer contributions[3]	**14**	**–**	**–**	**14**	35	–	–	35
Employee contributions	**3**	**(84)**	**–**	**(81)**	4	(77)	–	(73)
Benefits paid	**(126)**	**179**	**–**	**53**	(135)	189	–	54
Business acquisitions	**–**	**(1)**	**–**	**(1)**	–	–	–	–
Currency adjustment	**226**	**(176)**	**–**	**50**	218	(154)	–	64
At 30 September	**2,590**	**(3,321)**	**(1)**	**(732)**	2,292	(2,750)	–	(458)

1. See note 1.
2. The expenses of running the UK Plan are met directly by the UK Plan rather than by the principal employer.
3. Employer contributions in 2024 are shown net of amounts paid by the GAD section of the UK Plan into the CRISP section from 1 January 2024 totalling $12m. Employer contributions in 2023 included $10m following a change in legislation in Türkiye effective from March 2023.

The present value of defined benefit obligations includes $1,022m (2023: $760m) in respect of the Rabbi Trust arrangements, which is exactly matched by their investments (see note 15).

The $280m increase in the present value of defined benefit obligations due to changes in financial assumptions in 2024 includes the impact of the increase in the Rabbi Trust investments and the impact on the liabilities of the UK Plan of a 0.4 percentage point reduction in the discount rate, net of inflation.

Certain Group companies have taken out life insurance policies and invested in mutual funds to meet unfunded pension obligations. The current value of these policies and other assets of $98m (2023: $93m) may not be offset against post-employment benefit obligations under IAS 19 (see note 15).

Net post-employment benefit assets, including the Rabbi Trust investments, life insurance policies and mutual fund investments, is shown below:

Net post-employment benefit assets	Notes	2024 $m	Restated[1] 2023 $m
Net post-employment benefit obligations		**(732)**	(458)
Rabbi Trust investments	15	**1,022**	760
Mutual fund investments	15	**62**	58
Life insurance policies	15	**36**	35
Total		**388**	395

1. See note 1.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

24 Post-employment benefits continued

Amounts recognised in the income statement

Amounts recognised in the income statement	2024 UK $m	2024 US $m	2024 Other $m	2024 Total $m	Restated[1] 2023 UK $m	Restated[1] 2023 US $m	Restated[1] 2023 Other $m	Restated[1] 2023 Total $m
Current service cost	–	20	12	32	–	17	10	27
Past service (credit)/cost	–	–	(1)	(1)	–	–	4	4
Administration expenses	10	–	–	10	6	–	–	6
Charged to operating expenses	**10**	**20**	**11**	**41**	6	17	14	37
Interest on net post-employment benefit assets/obligations	(28)	52	5	29	(34)	42	3	11
(Credited)/charged to finance costs	**(28)**	**52**	**5**	**29**	(34)	42	3	11
Total	**(18)**	**72**	**16**	**70**	(28)	59	17	48

1. See note 1.

The Group recognised a charge of $289m (2023: $254m) in respect of contributions to defined contribution schemes during the year.

Amounts recognised in other comprehensive income

Amounts recognised in other comprehensive income	2024 $m	Restated[1] 2023 $m
Effect of changes in financial assumptions	(280)	46
Effect of changes in demographic assumptions	5	46
Effect of experience adjustments	(11)	(59)
Remeasurement of post-employment benefit obligations	**(286)**	33
Return on plan assets, excluding interest income	63	(331)
Change in asset ceiling, excluding interest income	(1)	6
Total	**(224)**	(292)

1. See note 1.

Contributions

During the year, the Group made total contributions to defined benefit schemes of $46m (including the Rabbi Trust arrangements) (2023: $52m). Contributions in 2023 included $10m following a change in legislation in Türkiye effective from March 2023. The Group expects to make a similar level of contributions to these schemes in 2025.

The UK Plan is the largest scheme in the Group and was in surplus on a funding basis at the date of the most recent actuarial valuation as at 5 April 2022, and no deficit contributions are currently required. The remaining Group-funded schemes do not have significant minimum funding requirements whilst contributions to unfunded pension schemes are quite stable. As a result, we do not expect the required future contributions to change substantially beyond next year.

25 Share capital and other reserves

Significant accounting policy

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Capital

The capital structure of the Group consists of net debt (see note 34) and total equity. Our capital allocation framework is clear and unchanged. Our priority is to invest in the business to fund growth opportunities, target a strong investment-grade credit rating with a leverage target of around 1x-1.5x net debt to EBITDA and pay an ordinary dividend, with any surplus capital being returned to shareholders. At 30 September 2024, the ratio of net debt to underlying EBITDA was 1.3x (2023: 1.2x) (see note 34).

Share capital

Share capital	2024 Number	2024 $m	Restated[1] 2023 Number	Restated[1] 2023 $m
Allotted, called up and fully paid				
Ordinary shares of 11 1⁄20p each	**1,785,403,977**	**346**	1,785,403,977	346
At 30 September	**1,785,403,977**	**346**	1,785,403,977	346

1. See note 1.

During the year, 20,406,756 shares in Compass Group PLC were purchased under the share buybacks announced in May 2023 and November 2023 (2023: 46,311,952 shares were purchased under the share buybacks announced in May 2022, November 2022 and May 2023), which are held in treasury, and 2,585,610 (2023: 1,343,592) shares were released to satisfy awards under the Company's long-term incentive plans, leaving a balance held in treasury at 30 September 2024 of 87,992,005 (2023: 70,170,859). The shares purchased had an average price of $27.44 per share (2023: $24.96 per share) and represent 1.1% (2023: 2.6%) of the Company's issued share capital. Shares held in treasury are not entitled to receive dividends.

Other reserves

Capital redemption reserve

The nominal value of shares in the Company purchased and subsequently cancelled is shown as a reduction in share capital and an equal and opposite transfer to the capital redemption reserve.

Own shares reserve

The own shares reserve represents shares in Compass Group PLC held either in treasury, including transaction costs, or by employee share trusts to satisfy liabilities to employees for long-term incentive plans. Own shares are treated as a deduction to equity until the shares are cancelled, reissued or sold, at which point they are transferred to retained earnings.

The own shares reserve comprises $2,288m (2023: $1,833m) in respect of 87,992,005 (2023: 70,170,859) shares in Compass Group PLC held in treasury and $8m (2023: $15m) in respect of 298,712 (2023: 573,223) shares in Compass Group PLC held by the Compass Group PLC All Share Schemes Trust (ASST).

The share buyback announced in May 2023 was completed in November 2023, with 6,357,210 shares repurchased during the year for a total price, including transaction costs, of $161m.

In November 2023, the Company announced that it was commencing a further share buyback to repurchase up to $500m of its own shares. During the year, 14,049,546 shares were repurchased for a total price, including transaction costs, of $399m, of which $392m was paid in cash during the year. The mandate issued to the broker to purchase the shares was irrevocable at 30 September 2024 and, therefore, a creditor of $112m in respect of the value of the shares not yet purchased has been recognised. In the period from 1 October to 26 November 2024, 2,356,198 shares were repurchased for a total price, including transaction costs, of $77m. The share buyback is scheduled to complete by 17 December 2024.

The ASST is a discretionary trust for the benefit of employees and the shares held are used to satisfy some of the Group's liabilities to employees for long-term incentive plans. During the year, no shares (2023: 800,000) in Compass Group PLC were purchased by the ASST and 274,511 (2023: 448,686) shares were released from the ASST to satisfy awards under the Company's long-term incentive plans. At 30 September 2024, the nominal value of the shares in the ASST was $44,274 (2023: $77,314), with a market value of $10m (2023: $14m).

No treasury shares have been reissued since the end of the financial year to the date of this Report. On 1 October 2024, 2,393 shares were released by the ASST to satisfy an award under the Compass Group PLC Restricted Share Award Plan which had vested on 30 September 2024.

Merger reserve

The merger reserve arose in 2000 as a result of the merger between Compass and Granada.

Revaluation reserve

The revaluation reserve arose on the acquisition of the remaining 50% interest in GRSA during 2008. The portion of the fair value adjustment pertaining to the Group's existing 50% shareholding in GRSA was credited to the revaluation reserve in accordance with IFRS 3 Business Combinations. The revaluation reserve was reclassified to retained earnings on disposal of GRSA in 2024.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

25 Share capital and other reserves continued

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Non-controlling interest put options reserve

Where put options are held in respect of a non-controlling interest in a subsidiary and the minority shareholders hold present access to the returns of the entity, the Group recognises a non-controlling interest, together with a put option liability measured at fair value and a corresponding non-controlling interest put options reserve. Subsequent remeasurements of put option liabilities under the present access and anticipated acquisition methods are recognised in the non-controlling interest put options reserve.

Other reserves	Capital redemption reserve $m	Own shares reserve $m	Merger reserve $m	Revaluation reserve $m	Translation reserve[1] $m	Non-controlling interest put options reserve $m	Total $m
At 1 October 2023 (restated[2])	**511**	**(1,848)**	**7,554**	**14**	**(1,544)**	**(105)**	**4,582**
Other comprehensive income							
Currency translation differences	–	–	–	–	**267**	–	**267**
Reclassification of cumulative currency translation differences on sale of businesses	–	–	–	–	**250**	–	**250**
Tax credit on items relating to the components of other comprehensive income	–	–	–	–	**2**	–	**2**
Total other comprehensive income for the year	–	–	–	–	**519**	–	**519**
Change in fair value of non-controlling interest put options	–	–	–	–	–	**7**	**7**
Changes to non-controlling interests due to acquisitions and disposals	–	–	–	–	–	**(54)**	**(54)**
Reclassification of revaluation reserve on sale of businesses	–	–	–	**(14)**	–	–	**(14)**
Cost of shares transferred to employees	–	**64**	–	–	–	–	**64**
Purchase of own shares – share buyback[3]	–	**(512)**	–	–	–	–	**(512)**
At 30 September 2024	**511**	**(2,296)**	**7,554**	–	**(1,025)**	**(152)**	**4,592**

1. Includes a loss of $566m in relation to the balance remaining in the foreign currency translation reserve from net investment hedging relationships for which hedge accounting continues to apply.
2. See note 1.
3. The difference between the $512m charged to the own shares reserve during the year and the $577m cash outflow in respect of share buybacks (see page 143) reflects a $119m creditor at 30 September 2024 in respect of the $500m share buyback announced in November 2023, less a $184m creditor at 30 September 2023 in respect of the share buyback announced in May 2023 (see note 22).

Other reserves	Capital redemption reserve $m	Own shares reserve $m	Merger reserve $m	Revaluation reserve $m	Translation reserve[1] $m	Non-controlling interest put options reserve $m	Total $m
At 1 October 2022 (restated[2])	511	(618)	7,554	14	(1,776)	(126)	5,559
Other comprehensive income							
Currency translation differences	–	–	–	–	229	–	229
Reclassification of cumulative currency translation differences on sale of businesses	–	–	–	–	(1)	–	(1)
Tax credit on items relating to the components of other comprehensive income	–	–	–	–	4	–	4
Total other comprehensive income for the year	–	–	–	–	232	–	232
Change in fair value of non-controlling interest put options	–	–	–	–	–	16	16
Changes to non-controlling interests due to acquisitions and disposals	–	–	–	–	–	(2)	(2)
Reclassification of non-controlling interest put options reserve on exercise of put options	–	–	–	–	–	7	7
Cost of shares transferred to employees	–	35	–	–	–	–	35
Purchase of own shares – share buyback	–	(1,246)	–	–	–	–	(1,246)
Purchase of own shares – employee share-based payments	–	(19)	–	–	–	–	(19)
At 30 September 2023 (restated[2])	511	(1,848)	7,554	14	(1,544)	(105)	4,582

1. Includes a loss of $876m in relation to the balance remaining in the foreign currency translation reserve from net investment hedging relationships for which hedge accounting continues to apply.
2. See note 1.

26 Share-based payments

Significant accounting policy

The Group issues equity-settled share-based payments to certain employees, which are measured at fair value at the date of grant using option pricing models. The fair value is expensed on a straight-line basis over the vesting period based on the Group's estimate of the number of shares expected to vest.

Income statement expense

The Group recognised a charge of $68m (2023: $54m) in respect of share-based payment transactions. All share-based payment plans are equity-settled. The charge is broken down by share-based payment plan as follows:

Share-based payment charge	2024 $m	Restated[1] 2023 $m
Long-term incentive plans	**59**	47
Restricted shares	**8**	7
Other share-based payment plans	**1**	–
Total	**68**	54

1. See note 1.

Long-term incentive plans (LTIP)

Full details of The Compass Group PLC Long Term Incentive Plan 2018 (2018 LTIP) can be found in the Directors' Remuneration Report on pages 86 to 118.

The following table shows the movements in shares during the year:

Long-term incentive plans	2024 Number of shares	2023 Number of shares
Outstanding at 1 October	**8,878,102**	7,547,857
Awarded	**3,024,294**	3,153,815
Notional Dividend Shares awarded[1]	**182,806**	160,952
Vested	**(2,528,072)**	(1,113,799)
Lapsed	**(509,663)**	(870,723)
Outstanding at 30 September	**9,047,467**	8,878,102

1. Eligible awards granted under the 2018 LTIP accrue dividends in the form of Notional Dividend Shares.

The following Executive Committee and leadership LTIP awards were made under the terms of the 2018 LTIP during the year:

LTIP awards	2024	
	Award date	Fair value
Executive Committee	**1 Dec 2023**	**1,474.16p**
Leadership	**1 Dec 2023**	**1,656.36p**
Leadership	**20 May 2024**	**2,097.80p**

LTIP awards	2023	
	Award date	Fair value
Executive Committee	1 Dec 2022	1,363.71p
Leadership	1 Dec 2022	1,507.63p
Leadership	17 May 2023	2,134.32p

The vesting conditions of the LTIP awards are included in the Directors' Remuneration Report. The fair value of awards subject to Adjusted Free Cash Flow (AFCF) and Return On Capital Employed (ROCE) performance targets is calculated using the Black-Scholes option pricing model. The vesting probability of these non-market conditions has been assessed based on a simulation model of the AFCF and ROCE forecasts. The fair value of awards subject to Total Shareholder Return (TSR) performance targets is calculated using the Monte Carlo model.

The following assumptions were used in calculating the fair value of LTIP awards made during the year:

Weighted average assumptions – long-term incentive plans	2024	2023
Expected volatility[1]	**22.2%**	39.6%
Risk-free interest rate	**4.1%**	3.1%
Expected life	**3.0 years**	3.0 years
Share price at date of grant	**2,036.36p**	1,856.77p

1. Expected volatility is calculated based on the Group's weekly share price during the three years prior to the date of each award.

26 Share-based payments continued

Eligible awards granted under the 2018 LTIP accrue dividends in the form of Notional Dividend Shares. Accordingly, the dividend yield in the fair value calculation is nil.

The weighted average share price at the date of vesting for the 2,528,072 shares (2023: 1,113,799) that vested during the year was 2,037.92p (2023: 1,824.00p).

The LTIP awards outstanding at the end of the year have a weighted average remaining contractual life of 1.2 years (2023: 1.2 years).

Restricted shares

These are awards to certain employees in order to incentivise the achievement of particular business objectives under specific circumstances or where similar such shares have been forfeited by a new employee on joining the Group. The plan can take different forms, such as an award of shares dependent on service or achievement of specific performance conditions other than service.

The following table shows the movements in shares during the year:

Restricted shares	2024 Number of shares	2023 Number of shares
Outstanding at 1 October	**825,280**	1,083,225
Awarded	**342,180**	365,818
Notional Dividend Shares awarded[1]	**15,584**	16,228
Vested	**(304,146)**	(570,398)
Lapsed	**(85,283)**	(69,593)
Outstanding at 30 September	**793,615**	825,280

1. Eligible awards granted under the Restricted Share Award Plan accrue dividends in the form of Notional Dividend Shares.

The following assumptions were used in calculating the fair value of restricted share awards made during the year:

Weighted average assumptions – restricted shares	2024	2023
Expected volatility[1]	**21.5%**	37.0%
Risk-free interest rate	**4.1%**	3.4%
Expected life	**2.4 years**	2.2 years
Share price at date of grant	**2,101.49p**	1,920.21p

1. Expected volatility is calculated based on the Group's weekly share price during the three years prior to the date of each award.

Eligible awards granted under the Restricted Share Award Plan accrue dividends in the form of Notional Dividend Shares. Accordingly, the dividend yield in the fair value calculation is nil.

The weighted average share price at the date of vesting for the 304,146 shares (2023: 570,398) that vested during the year was 2,074.05p (2023: 1,989.24p).

Other share-based payment plans

Other share-based payment plans comprise The Compass Group Share Option Plan 2010 (CSOP), Deferred Annual Bonus Plan (DAB) and Deferred Bonus Plan (DBP). The last CSOP award was made in November 2013 and expired in November 2023. The last DAB award was made in November 2018 and all remaining shares had lapsed by the end of the year. The DBP is used to facilitate the grant of deferred bonus shares for executive directors. The first awards under the DBP were made in December 2023.

The following table shows the movements in shares during the year:

Other share-based payment plans	2024 Number of shares	2023 Number of shares
Outstanding at 1 October	**7,422**	202,422
Awarded	**88,931**	–
Vested and exercised	**(32,065)**	(108,081)
Lapsed (following net settlement)	**–**	(84,579)
Lapsed	**(7,422)**	(2,340)
Outstanding at 30 September	**56,866**	7,422

The expense relating to these plans is not significant.

27 Acquisition, sale and closure of businesses

Significant accounting policy

Business acquisitions

The acquisition of subsidiaries is accounted for using the purchase method. The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued.

Identifiable assets acquired and liabilities and contingent liabilities assumed are recognised at the fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale which are recognised and measured at fair value less costs to sell.

The cost of the acquisition in excess of the Group's interest in the net fair value of the identifiable net assets acquired is recorded as goodwill. If the cost of the acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Where not all the equity of a subsidiary is acquired, the non-controlling interest is recognised either at fair value or at the non-controlling interest's proportionate share of the net assets of the subsidiary. This election is made for each acquisition. Put options over non-controlling interests are recognised as a financial liability measured at fair value, which is re-evaluated at each year-end with a corresponding entry in the non-controlling interest put options reserve.

Business disposals

The Group ceases to consolidate a subsidiary when it has lost control. Upon losing control of a subsidiary, a gain or loss is recognised in the consolidated income statement which includes any cumulative currency translation differences previously recognised in other comprehensive income. Any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss.

Assets held for sale

Non-current assets and disposal groups are classified as held for sale if the carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, management is committed to a sale plan, the asset is available for immediate sale in its present condition and the sale is expected to be completed within one year from the date of classification.

Assets held for sale are measured at the lower of carrying value and fair value less costs to sell. Goodwill is allocated to the held-for-sale business on a relative fair value basis where this business forms part of a larger CGU. Investments in joint ventures and associates that have been classified as held for sale are no longer accounted for using the equity method.

If the non-current asset or disposal group that ceases to be classified as held for sale is a subsidiary, joint venture or associate, prior year comparatives are restated for the periods since classification as held for sale and accounted for retrospectively.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

27 Acquisition, sale and closure of businesses continued

Acquisition of businesses

The total cash spent on the acquisition of subsidiaries during the year, net of cash acquired, was $1,256m (2023: $410m), including $431m (2023: $nil) on the repayment of borrowings acquired through business acquisitions, $61m (2023: $48m) of deferred and contingent consideration and other payments relating to businesses acquired in previous years, and $41m (2023: $21m) of acquisition transaction costs included in net cash flow from operating activities.

The Group made two individually material acquisitions during the year (HOFMANN^s and CH&CO). Detailed disclosures in respect of these acquisitions are provided below.

HOFMANN^s

On 19 December 2023, the Group acquired 100% of the issued share capital of Hofmann-Menü Holdings GmbH (trading as HOFMANN^s), a German producer of high-quality cook and freeze meals, for cash consideration of €94m ($103m) net of cash acquired. The cash consideration excludes third-party debt acquired and repaid on the date of acquisition of €168m ($185m).

The goodwill of $123m represents the premium the Group has paid to acquire a company that complements its existing businesses and creates significant opportunities for synergies. In particular, the ability to offer additional services to the Group's existing customers and to leverage cross-selling opportunities with customers of HOFMANN^s will deliver significant economies of scale.

The fair value of net assets acquired includes $197m in respect of other intangible assets which mainly relate to brands ($66m) and client contracts ($126m). The brands were valued using the relief from royalty method, with the key assumptions being forecast revenue, royalty rate, useful life and discount rate. The client contracts were valued using the multi-period excess earnings method, with the key assumptions being forecast operating profit, attrition rate, useful life and discount rate. The intangible assets were valued by independent valuation experts.

The acquisition did not have a material impact on the Group's revenue or profit for the year. If the acquisition had occurred on 1 October 2023, it would not have had a material impact on the Group's revenue or profit for the year.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition of HOFMANN^s:

	Fair value $m
Net assets acquired	
Other intangible assets	197
Right-of-use assets	5
Property, plant and equipment	30
Trade and other receivables	13
Inventories	18
Cash and cash equivalents	41
Borrowings	(185)
Lease liabilities	(5)
Current tax liabilities	(18)
Trade and other payables	(23)
Deferred tax liabilities	(52)
Fair value of net assets acquired	21
Goodwill	123
Total consideration	144
Satisfied by	
Cash consideration paid	144
Total consideration	144
Cash flow	
Cash consideration paid	144
Less: Cash and cash equivalents acquired	(41)
Cash consideration net of cash acquired	103
Add: Repayment of borrowings acquired through business acquisitions[1]	185
Add: Acquisition transaction costs[2]	7
Total cash outflow from purchase of subsidiary companies	295
Consolidated cash flow statement	
Net cash flow from operating activities[2]	7
Net cash flow from investing activities	103
Net cash flow from financing activities[1]	185
Total cash outflow from purchase of subsidiary companies	295

1. Repayment of borrowings acquired through business acquisitions is included in net cash flow from financing activities.
2. Acquisition transaction costs are included in net cash flow from operating activities.

27 Acquisition, sale and closure of businesses continued

CH&CO

On 30 April 2024, the Group acquired 100% of the issued share capital of Orchestra Topco Limited (trading as CH&CO), a provider of premium contract and hospitality services in the UK and Ireland, for cash consideration of £274m ($344m) net of cash acquired. The cash consideration excludes third-party debt acquired and repaid on the date of acquisition of £197m ($246m).

Contingent consideration is payable in 2025 and 2026 based on EBITDA for the years ending 30 April 2025 and 2026, with an additional payment due in 2027 in respect of contracts won but not mobilised by the end of the second year. The fair value of these contingent payments, which has been estimated based on forecast EBITDA and contract wins and losses, is £63m ($79m), with minimum and undiscounted maximum values of £nil and £165m ($207m), respectively.

The goodwill of $329m represents the premium the Group has paid to acquire a company that complements its existing businesses and creates significant opportunities for synergies, including economies of scale in purchasing and overhead cost savings.

The fair value of net assets acquired includes $452m in respect of other intangible assets which relate to brands ($145m) and client contracts ($307m). The brands were valued using the relief from royalty method, with the key assumptions being forecast revenue, royalty rate, useful life and discount rate. The client contracts were valued using the multi-period excess earnings method, with the key assumptions being forecast operating profit, attrition rate, useful life and discount rate. The intangible assets were valued by independent valuation experts.

The acquisition did not have a material impact on the Group's revenue or profit for the year. If the acquisition had occurred on 1 October 2023, it would not have had a material impact on the Group's revenue or profit for the year.

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition of CH&CO:

	Fair value $m
Net assets acquired	
Other intangible assets	452
Right-of-use assets	7
Property, plant and equipment	11
Trade and other receivables	113
Tax recoverable	2
Inventories	5
Cash and cash equivalents	12
Deferred tax assets	10
Borrowings	(246)
Lease liabilities	(5)
Provisions	(5)
Trade and other payables	(137)
Deferred tax liabilities	(113)
Fair value of net assets acquired	106
Goodwill	329
Total consideration	435
Satisfied by	
Cash consideration paid	356
Contingent consideration payable	79
Total consideration	435
Cash flow	
Cash consideration paid	356
Less: Cash and cash equivalents acquired	(12)
Cash consideration net of cash acquired	344
Add: Repayment of borrowings acquired through business acquisitions[1]	246
Add: Acquisition transaction costs[2]	16
Total cash outflow from purchase of subsidiary companies	606
Consolidated cash flow statement	
Net cash flow from operating activities[2]	16
Net cash flow from investing activities	344
Net cash flow from financing activities[1]	246
Total cash outflow from purchase of subsidiary companies	606

1. Repayment of borrowings acquired through business acquisitions is included in net cash flow from financing activities.
2. Acquisition transaction costs are included in net cash flow from operating activities.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

27 Acquisition, sale and closure of businesses continued

All acquisitions

In addition to the acquisitions set out above, the Group also completed a number of individually immaterial acquisitions during the year. A summary of all acquisitions completed during the year is presented in aggregate below:

	Fair value	
	2024 $m	Restated[1] 2023 $m
Net assets acquired		
Other intangible assets	**907**	271
Contract fulfilment assets	**3**	–
Right-of-use assets	**37**	–
Property, plant and equipment	**83**	28
Trade and other receivables	**144**	18
Deferred tax assets	**11**	–
Inventories	**30**	13
Tax recoverable	**3**	–
Cash and cash equivalents	**61**	13
Borrowings	**(431)**	–
Lease liabilities	**(35)**	–
Provisions	**(5)**	–
Current tax liabilities	**(18)**	(2)
Trade and other payables	**(181)**	(21)
Post-employment benefit obligations	**(1)**	–
Deferred tax liabilities	**(184)**	(23)
Fair value of net assets acquired	**424**	297
Less: Step acquisitions	**(30)**	(29)
Less: Gains on bargain purchases	**(35)**	–
Less: Non-controlling interests	**(40)**	(2)
Goodwill	**618**	225
Total consideration	**937**	491
Satisfied by		
Cash consideration paid	**784**	354
Deferred and contingent consideration payable	**145**	137
Non-cash consideration	**8**	–
Total consideration	**937**	491
Cash flow		
Cash consideration paid	**784**	354
Less: Cash and cash equivalents acquired	**(61)**	(13)
Cash consideration net of cash acquired	**723**	341
Add: Repayment of borrowings acquired through business acquisitions[2]	**431**	–
Add: Acquisition transaction costs[3]	**41**	21
Net cash outflow arising on acquisition	**1,195**	362
Deferred and contingent consideration and other payments relating to businesses acquired in previous years	**61**	48
Total cash outflow from purchase of subsidiary companies	**1,256**	410
Consolidated cash flow statement		
Net cash flow from operating activities[3]	**41**	21
Net cash flow from investing activities	**784**	389
Net cash flow from financing activities[2]	**431**	–
Total cash outflow from purchase of subsidiary companies	**1,256**	410

1. See note 1.
2. Repayment of borrowings acquired through business acquisitions is included in net cash flow from financing activities.
3. Acquisition transaction costs are included in net cash flow from operating activities.

Contingent consideration is an estimate at the date of acquisition of the amount of additional consideration that will be payable in the future. The actual amount paid can vary from the estimate depending on the terms of the transaction and, for example, the actual performance of the acquired business.

27 Acquisition, sale and closure of businesses continued

The goodwill arising on the acquisition of the businesses represents the premium the Group has paid to acquire companies which complement its existing businesses and create significant opportunities for cross-selling and other synergies. The goodwill arising is not expected to be deductible for tax purposes.

The acquisitions did not have a material impact on the Group's revenue or profit for the year. If the acquisitions had occurred on 1 October 2023, they would not have had a material impact on the Group's revenue or profit for the year.

Sale and closure of businesses

The Group has recognised a net loss of $203m (2023: net gain of $24m) on the sale and closure of businesses, including exit costs of $92m (2023: $14m). Activity in the year includes the sale of the Group's businesses in Argentina, Brazil, mainland China and the United Arab Emirates, the exit from Angola and sale of the final 5% shareholding in Highways Royal Co., Limited (Japanese Highways).

A summary of business disposals completed during the year is presented in aggregate below:

	2024 $m	Restated[1] 2023 $m
Net assets disposed		
Goodwill	**71**	33
Other intangible assets	**13**	21
Right-of-use assets	**4**	10
Property, plant and equipment	**26**	22
Interest in joint ventures and associates	**61**	–
Trade and other receivables	**200**	33
Deferred tax assets	**14**	1
Inventories	**21**	11
Tax recoverable	**1**	–
Cash and cash equivalents	**30**	35
Assets held for sale	**5**	32
Lease liabilities	**(4)**	(11)
Provisions	**(14)**	(2)
Current tax liabilities	**(15)**	–
Trade and other payables	**(210)**	(50)
Net assets disposed	**203**	135
Consolidated income statement		
Cash consideration	**319**	102
Deferred consideration	**24**	70
Less: Net assets disposed	**(203)**	(135)
Less: Exit costs	**(92)**	(14)
Less: Loss on step acquisitions	**(1)**	–
(Less)/add: Reclassification of cumulative currency translation differences on sale of businesses[2]	**(250)**	1
Net (loss)/gain on sale and closure of businesses	**(203)**	24
Consolidated cash flow statement		
Cash consideration received	**319**	102
Tax payments arising on disposal of businesses	**(35)**	–
Exit costs paid	**(29)**	(9)
Cash and cash equivalents disposed	**(30)**	(35)
Net proceeds from sale of subsidiary companies, joint ventures and associates net of exit costs	**225**	58

1. See note 1.
2. Includes cumulative foreign exchange gains of $8m (2023: losses of $4m) on net investment hedges (see note 20).

27 Acquisition, sale and closure of businesses continued

Assets and liabilities held for sale

In July 2024, the Group agreed the sale of its businesses in Chile, Colombia and Mexico. The disposals, which are subject to regulatory approval and completion procedures, are expected to complete in the first half of the 2025 financial year. Accordingly, the assets and liabilities of the Group's businesses in Chile, Colombia and Mexico are classified as held for sale at 30 September 2024. The Group's investment in its joint venture in Qatar is also classified as held for sale at 30 September 2024, with a carrying value of $nil.

	Carrying value $m
Assets held for sale	
Goodwill	**13**
Other intangible assets	**1**
Costs to obtain contracts	**1**
Right-of-use assets	**5**
Property, plant and equipment	**12**
Trade and other receivables	**165**
Deferred tax assets	**17**
Inventories	**11**
Tax recoverable	**8**
Cash and cash equivalents	**40**
Total	**273**
Liabilities held for sale	
Lease liabilities	**(6)**
Provisions	**(8)**
Current tax liabilities	**(8)**
Trade and other payables	**(157)**
Total	**(179)**

28 Reconciliation of operating profit to cash generated from operations

Reconciliation of operating profit to cash generated from operations	2024 $m	Restated[1] 2023 $m
Operating profit before joint ventures and associates	**2,540**	2,245
Adjustments for:		
Acquisition-related charges[2]	**194**	132
Charges related to the strategic portfolio review	**170**	118
One-off pension charge	**8**	8
Amortisation – other intangible assets[3]	**150**	134
Amortisation – contract fulfilment assets	**306**	282
Amortisation – contract prepayments	**94**	66
Depreciation – right-of-use assets	**220**	199
Depreciation – property, plant and equipment	**374**	337
Unwind of costs to obtain contracts	**33**	27
Impairment losses – non-current assets[4]	**10**	12
Impairment reversals – non-current assets	**(7)**	(2)
Gain on disposal of property, plant and equipment/intangible assets/contract fulfilment assets	**(5)**	(4)
Other non-cash changes	**–**	(1)
Increase/(decrease) in provisions	**7**	(50)
Investment in contract prepayments	**(213)**	(88)
Increase in costs to obtain contracts[5]	**(47)**	(45)
Post-employment benefit obligations net of service costs	**7**	(21)
Share-based payments – charged to profit	**68**	54
Operating cash flow before movements in working capital	**3,909**	3,403
Increase in inventories	**(36)**	(119)
Increase in receivables	**(670)**	(680)
Increase in payables	**892**	679
Cash generated from operations	**4,095**	3,283

1. See note 1.
2. Includes amortisation and impairment of acquisition intangibles. Excludes acquisition transaction costs of $41m (2023: $21m) as acquisition transaction costs are included in net cash flow from operating activities.
3. Excludes amortisation of acquisition intangibles.
4. Excludes impairment losses of $156m (2023: $60m) included in charges related to the strategic portfolio review.
5. Cash payments in respect of contract balances are classified as cash flows from operating activities, with the exception of contract fulfilment assets which are classified as cash flows from investing activities as they arise out of cash payments in relation to assets that will generate long-term economic benefits. During the year, the purchase of contract fulfilment assets in cash flows from investing activities was $508m (2023: $380m).

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

29 Movements in assets and liabilities arising from financing activities

Movements for the year ended 30 September 2024	Restated[1] 1 October 2023 $m	Cash outflow/ (inflow) $m	Other non-cash movements $m	New lease liabilities and amendments $m	Currency translation (losses)/gains $m	30 September 2024 $m
Borrowings (excluding bank overdrafts)	(3,915)	211	(610)	–	(212)	(4,526)
Lease liabilities	(1,153)	227	(25)	(325)	(39)	(1,315)
Derivative financial instruments	(221)	(46)	115	–	49	(103)
Net movement in assets and liabilities arising from financing activities		**392**				
Purchase of own shares – share buyback		577				
Dividends paid to equity shareholders		963				
Dividends paid to non-controlling interests		10				
Net cash flow from financing activities		**1,942**				

Movements for the year ended 30 September 2023 (restated[1])	1 October 2022 $m	Cash outflow/ (inflow) $m	Other non-cash movements $m	New lease liabilities and amendments $m	Currency translation (losses)/gains $m	30 September 2023 $m
Borrowings (excluding bank overdrafts)	(4,145)	542	(37)	–	(275)	(3,915)
Lease liabilities	(1,019)	215	11	(323)	(37)	(1,153)
Derivative financial instruments	(107)	(157)	(9)	–	52	(221)
Net movement in assets and liabilities arising from financing activities		600				
Purchase of own shares – share buyback		1,148				
Purchase of own shares – employee share-based payments		19				
Purchase of non-controlling interests		10				
Dividends paid to equity shareholders		796				
Dividends paid to non-controlling interests		7				
Net cash flow from financing activities		2,580				

1. See note 1.

Other non-cash movements are as follows:

Other non-cash movements	2024 $m	Restated[1] 2023 $m
Borrowings acquired through business acquisitions	(431)	–
Amortisation of fees and discounts on issue of debt	(4)	(5)
Changes in fair value of borrowings in a fair value hedge	(175)	(32)
Borrowings	**(610)**	(37)
Lease liabilities acquired through business acquisitions	(35)	–
Lease liabilities derecognised on sale and closure of businesses	4	11
Lease liabilities transferred to held for sale	6	–
Lease liabilities	**(25)**	11
Changes in fair value of derivative financial instruments	**115**	(9)
Total	**(520)**	(35)

1. See note 1.

30 Contingent liabilities

Significant accounting policy

Provisions for legal and other claims are recognised when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Where it is possible that a settlement will be reached or it is not possible to make a reliable estimate of the amount of the obligation, no provision is recognised, but appropriate disclosure as a contingent liability is made.

Performance bonds, guarantees and indemnities

The Company and certain subsidiary undertakings have, in the normal course of business, given guarantees and entered into counter-indemnities in respect of such guarantees relating to the Group's own contracts and/or the Group's share of certain contractual obligations of joint arrangements and associates. Where the Group enters into such arrangements, it does so in order to provide assurance to the beneficiary, typically the client, that it will fulfil its contractual obligations, rather than to provide an insurance contract to compensate the client in the event that it does not fulfil those contractual obligations. The issue of such guarantees and indemnities does not increase the Group's overall exposure and is not in scope of IFRS 17 Insurance Contracts.

Litigation and claims

The Group is involved in various legal proceedings incidental to the nature of its business and maintains insurance cover to reduce financial risk associated with claims related to these proceedings. Where appropriate, provisions are made to cover any potential uninsured losses.

Although it is not possible to predict the outcome or quantify the financial effect of these proceedings, or any claim against the Group related thereto, in the opinion of the directors, any uninsured losses resulting from the ultimate resolution of these matters will not have a material effect on the financial position of the Group. The timing of the settlement of these proceedings or claims is uncertain.

During the period of the Group's ownership of its business in Brazil, which was sold during the year, the federal tax authorities issued notices of deficiency in respect of 2014 and 2017 relating primarily to the PIS/COFINS treatment of certain food costs which we formally objected to and which are proceeding through the appeals process. At 30 September 2024, the total amount assessed in respect of these matters is $87m, including interest and penalties. The possibility of further notices of deficiency for subsequent years during the period of the Group's ownership cannot be ruled out and the judicial process is likely to take a number of years to conclude. Based on the opinion of our local legal advisers, we do not currently consider it likely that we will have to settle a liability with respect to these matters and, on this basis, no provision has been recorded.

The Group is currently subject to audits and reviews in a number of countries that primarily relate to complex corporate tax issues. None of these audits is currently expected to have a material impact on the Group's financial position. We continue to engage with tax authorities and other regulatory bodies on payroll and sales tax reviews, and compliance with labour laws and regulations.

Food safety

In the ordinary course of business, food safety incidents are identified from time to time and our businesses' operations receive external reviews of their food hygiene and safety practices, both on a periodic basis and in connection with identified incidents. At any point, a number of reviews will be ongoing. Although it is not possible to predict the outcome or quantify the financial effect of the outcome of these reviews, or any claim against Group companies related thereto, in the opinion of the directors, any uninsured losses resulting from the ultimate resolution of these ongoing reviews are not expected to have a material effect on the financial position of the Group. The timing of the outcome of these reviews is generally uncertain.

31 Commitments

Contracted for but not provided for	2024 $m	Restated[1] 2023 $m
Client contract intangibles	**89**	88
Contract balances	**790**	696
Property, plant and equipment	**70**	45
Total	**949**	829

1. See note 1.

32 Related party transactions

The following transactions were carried out with related parties of Compass Group PLC:

Subsidiaries

Transactions between the ultimate parent company and its subsidiaries, and between subsidiaries, have been eliminated on consolidation.

Joint ventures

With the exception of the sale of the Group's joint venture in the United Arab Emirates, there were no significant transactions between joint ventures or joint venture partners and the rest of the Group during the year.

Associates

There were no significant transactions with associated undertakings during the year.

Key management personnel

The remuneration of directors and key management personnel is set out in note 4. During the year, there were no other material transactions or balances between the Group and its key management personnel or members of their close families.

Post-employment benefit schemes

Details of the Group's post-employment benefit schemes are set out in note 24.

33 Post-balance sheet events

On 31 October 2024, the Group acquired 100% of the issued share capital of DR Holding (trading as Dupont Restauration), a provider of contract catering services in France, for cash of €296m ($321m). If the acquisition had occurred on 1 October 2023, it would not have had a material impact on the Group's revenue or profit for the year ended 30 September 2024. Given the proximity of the completion date to the date of this Annual Report, certain elements of the acquisition accounting are not yet available. Full disclosures will be provided in the 2025 Half Year Results Announcement and Annual Report.

On 31 October 2024, the Group agreed the sale of its business in Kazakhstan, subject to regulatory approval. The net assets of the business at 30 September 2024 are not material.

On 13 November 2024, the Group entered into an agreement to acquire 4Service AS, a provider of catering and facility management services in Norway, for an enterprise value of approximately NOK5.5bn ($494m). The acquisition is subject to regulatory approval which we expect to receive during the 2025 financial year.

In the period from 1 October to 26 November 2024, 2,356,198 shares were repurchased for a total price, including transaction costs, of $77m under the share buyback announced in November 2023. The share buyback is scheduled to complete by 17 December 2024.

On 26 November 2024, a final dividend in respect of 2024 of 39.1c per share, $664m in aggregate, was proposed.

34 Non-GAAP measures

Introduction

The Executive Committee manages and assesses the performance of the Group using various underlying and other Alternative Performance Measures (APMs). These measures are not defined by International Financial Reporting Standards (IFRS) or other generally accepted accounting principles (GAAP) and may not be directly comparable with APMs used by other companies. Underlying measures reflect ongoing trading and, therefore, facilitate meaningful year-on-year comparison. The Group's APMs, together with the results prepared in accordance with IFRS, provide comprehensive analysis of the Group's results. Accordingly, the relevant statutory measures are also presented where appropriate. Certain of the Group's APMs are financial Key Performance Indicators (KPIs) which measure progress against our strategy.

In determining the adjustments to arrive at underlying results, we use a set of established principles relating to the nature and materiality of individual items or groups of items, including, for example, events which: (i) are outside the normal course of business; (ii) are incurred in a pattern that is unrelated to the trends in the underlying financial performance of our ongoing business; or (iii) are related to business acquisitions or disposals as they are not part of the Group's ongoing trading business and the associated cost impact arises from the transaction rather than from the continuing business.

Definitions

Measure	Definition	Purpose
Income statement		
Underlying revenue	Revenue plus share of revenue of joint ventures.	Allows management to monitor the sales performance of the Group's subsidiaries and joint ventures.
Underlying operating profit	Operating profit excluding specific adjusting items[2].	Provides a measure of operating profitability that is comparable over time.
Underlying operating margin[1]	Underlying operating profit divided by underlying revenue.	An important measure of the efficiency of our operations in delivering great food and support services to our clients and consumers.
Organic revenue[1]	Current year: Underlying revenue excluding businesses acquired, sold and closed in the year. Prior year: Underlying revenue including a proforma 12 months in respect of businesses acquired in the year and excluding businesses sold and closed in the year translated at current year exchange rates. Where applicable, a 53rd week is excluded from the current or prior year.	Embodies our success in growing and retaining our customer base, as well as our ability to drive volumes in our existing businesses and maintain appropriate pricing levels in light of input cost inflation.
Organic operating profit	Current year: Underlying operating profit excluding businesses acquired, sold and closed in the year. Prior year: Underlying operating profit including a proforma 12 months in respect of businesses acquired in the year and excluding businesses sold and closed in the year translated at current year exchange rates. Where applicable, a 53rd week is excluded from the current or prior year.	Provides a measure of operating profitability that is comparable over time.

1. Key Performance Indicator.
2. See page 211 for definitions of the specific adjusting items and a reconciliation from the statutory to the underlying income statement.

34 Non-GAAP measures continued

Definitions (continued)

Measure	Definition	Purpose
Income statement (continued)		
Underlying finance costs	Finance costs excluding specific adjusting items[2].	Provides a measure of the Group's cost of financing excluding items outside of the control of management.
Underlying profit before tax	Profit before tax excluding specific adjusting items[2].	Provides a measure of Group profitability that is comparable over time.
Underlying income tax expense	Income tax expense excluding tax attributable to specific adjusting items[2].	Provides a measure of income tax expense that is comparable over time.
Underlying effective tax rate	Underlying income tax expense divided by underlying profit before tax.	Provides a measure of the effective tax rate that is comparable over time.
Underlying profit for the year	Profit for the year excluding specific adjusting items[2] and tax attributable to those items.	Provides a measure of Group profitability that is comparable over time.
Underlying profit attributable to equity shareholders (underlying earnings)	Profit for the year attributable to equity shareholders excluding specific adjusting items[2] and tax attributable to those items.	Provides a measure of Group profitability that is comparable over time.
Underlying earnings per share[1]	Earnings per share excluding specific adjusting items[2] and tax attributable to those items.	Measures the performance of the Group in delivering value to shareholders.
Net operating profit after tax (NOPAT)	Underlying operating profit excluding the operating profit of non-controlling interests, net of tax at the underlying effective tax rate.	Provides a measure of Group operating profitability that is comparable over time.
Underlying EBITDA	Underlying operating profit excluding underlying impairment, depreciation and amortisation of intangible assets, tangible assets and contract-related assets.	Provides a measure of Group operating profitability that is comparable over time.
Balance sheet		
Net debt	Bank overdrafts, bank and other borrowings, lease liabilities and derivative financial instruments, less cash and cash equivalents.	Allows management to monitor the indebtedness of the Group.
Net debt to EBITDA	Net debt divided by underlying EBITDA.	Provides a measure of the Group's ability to finance and repay its debt from its operations.
Capital employed	Total equity shareholders' funds, excluding: net debt; post-employment benefit assets and obligations; and investments held to meet the cost of unfunded post-employment benefit obligations.	Provides a measure of the Group's efficiency in allocating its capital to profitable investments.
Return on Capital Employed (ROCE)[1]	NOPAT divided by 12-month average capital employed.	ROCE demonstrates how we have delivered against the various investments we make in the business, be it operational expenditure, capital expenditure or bolt-on acquisitions.

1. Key Performance Indicator.
2. See page 211 for definitions of the specific adjusting items and a reconciliation from the statutory to the underlying income statement.

34 Non-GAAP measures continued

Definitions (continued)

Measure	Definition	Purpose
Cash flow		
Capital expenditure	Purchase of intangible assets, purchase of contract fulfilment assets, purchase of property, plant and equipment and investment in contract prepayments, less proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets.	Provides a measure of expenditure on long-term intangible, tangible and contract-related assets, net of the proceeds from disposal of intangible, tangible and contract-related assets.
Underlying operating cash flow	Net cash flow from operating activities, including purchase of intangible assets, purchase of contract fulfilment assets, purchase of property, plant and equipment, proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets, repayment of principal under lease liabilities and share of results of joint ventures and associates, and excluding interest and net tax paid, post-employment benefit obligations net of service costs, cash payments related to the cost action programme and COVID-19 resizing costs, strategic portfolio review and one-off pension charge, and acquisition transaction costs.	Provides a measure of the success of the Group in turning profit into cash that is comparable over time.
Underlying operating cash flow conversion	Underlying operating cash flow divided by underlying operating profit.	Provides a measure of the success of the Group in turning profit into cash that is comparable over time.
Free cash flow	Net cash flow from operating activities, including purchase of intangible assets, purchase of contract fulfilment assets, purchase of property, plant and equipment, proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets, purchase of other investments, proceeds from sale of other investments, dividends received from joint ventures and associates, interest received, repayment of principal under lease liabilities and dividends paid to non-controlling interests.	Provides a measure of the success of the Group in turning profit into cash that is comparable over time.
Underlying free cash flow[1]	Free cash flow excluding cash payments related to the cost action programme and COVID-19 resizing costs, strategic portfolio review and one-off pension charge, and acquisition transaction costs.	Provides a measure of the success of the Group in turning profit into cash that is comparable over time.
Underlying free cash flow conversion[2]	Underlying free cash flow divided by underlying profit for the year.	Provides a measure of the success of the Group in turning profit into cash that is comparable over time.
Underlying cash tax rate	Net tax paid included in net cash flow from operating activities divided by underlying profit before tax.	Provides a measure of the cash tax rate that is comparable over time.
Business growth		
New business	Current year underlying revenue for the period in which no revenue had been recognised in the prior year.	The measure of incremental revenue in the current year from new business.
Lost business	Prior year underlying revenue for the period in which no revenue has been recognised in the current year.	The measure of lost revenue in the current year from ceased business.
Net new business	New business minus lost business as a percentage of prior year organic revenue.	The measure of net incremental revenue in the current year from business wins and losses.
Retention	100% minus lost business as a percentage of prior year organic revenue.	The measure of our success in retaining business.

1. Key Performance Indicator.
2. Underlying profit for the year has replaced underlying operating profit as the denominator in the calculation of underlying free cash flow conversion.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

34 Non-GAAP measures continued

Reconciliations

Income statement

Underlying revenue and operating profit are reconciled to GAAP measures in note 2 (segmental analysis).

Organic revenue	Geographical segments North America $m	Europe $m	Rest of World $m	Central activities $m	Total $m
Year ended 30 September 2024					
Underlying revenue	**28,581**	**9,887**	**3,708**	**–**	**42,176**
Organic adjustments	**(105)**	**(570)**	**(480)**	**–**	**(1,155)**
Organic revenue	**28,476**	**9,317**	**3,228**	**–**	**41,021**
Year ended 30 September 2023					
Underlying revenue (restated[1])	25,768	8,598	3,850	–	38,216
Currency adjustments	(6)	49	(112)	–	(69)
Underlying revenue – constant currency	25,762	8,647	3,738	–	38,147
Organic adjustments	14	(322)	(764)	–	(1,072)
Organic revenue	25,776	8,325	2,974	–	37,075
Increase in underlying revenue at reported rates – %	**10.9%**	**15.0%**	**(3.7)%**		**10.4%**
Increase in underlying revenue at constant currency – %	**10.9%**	**14.3%**	**(0.8)%**		**10.6%**
Increase in organic revenue – %	**10.5%**	**11.9%**	**8.5%**		**10.6%**

1. See note 1.

Organic operating profit	Geographical segments North America $m	Europe $m	Rest of World $m	Central activities $m	Total $m
Year ended 30 September 2024					
Underlying operating profit/(loss)	**2,335**	**583**	**224**	**(144)**	**2,998**
Underlying operating margin – %	**8.2%**	**5.9%**	**6.0%**		**7.1%**
Organic adjustments	**2**	**(61)**	**(33)**	**–**	**(92)**
Organic operating profit/(loss)	**2,337**	**522**	**191**	**(144)**	**2,906**
Year ended 30 September 2023					
Underlying operating profit/(loss) (restated[1])	2,019	479	214	(120)	2,592
Underlying operating margin – %	7.8%	5.6%	5.6%		6.8%
Currency adjustments	–	(1)	(11)	(4)	(16)
Underlying operating profit/(loss) – constant currency	2,019	478	203	(124)	2,576
Organic adjustments	1	(24)	(53)	–	(76)
Organic operating profit/(loss)	2,020	454	150	(124)	2,500
Increase in underlying operating profit at reported rates – %	**15.7%**	**21.7%**	**4.7%**		**15.7%**
Increase in underlying operating profit at constant currency – %	**15.7%**	**22.0%**	**10.3%**		**16.4%**
Increase in organic operating profit – %	**15.7%**	**15.0%**	**27.3%**		**16.2%**

1. See note 1.

34 Non-GAAP measures continued

Reconciliations (continued)

Underlying income statement	Notes	2024 Statutory $m	Specific adjusting items 1	2	3	4	5	2024 Underlying $m
Operating profit	2	**2,584**	**235**	**8**	**1**	**170**	–	**2,998**
Net loss on sale and closure of businesses		**(203)**	–	–	–	**203**	–	–
Finance costs	5	**(325)**	**9**	–	–	–	**67**	**(249)**
Profit before tax		**2,056**	**244**	**8**	**1**	**373**	**67**	**2,749**
Income tax expense	6	**(642)**	**(43)**	**(2)**	**(1)**	**1**	**(15)**	**(702)**
Profit for the year		**1,414**	**201**	**6**	–	**374**	**52**	**2,047**
Less: Non-controlling interests		**(10)**	–	–	–	–	–	**(10)**
Profit attributable to equity shareholders		**1,404**	**201**	**6**	–	**374**	**52**	**2,037**
Earnings per share (cents)		**82.3c**	**11.8c**	**0.4c**	–	**22.0c**	**3.0c**	**119.5c**
Effective tax rate (%)		**31.2%**						**25.5%**

Underlying income statement (restated[1])	Notes	2023 Statutory $m	Specific adjusting items 1	2	3	4	5	2023 Underlying $m
Operating profit	2	2,313	153	8	–	118	–	2,592
Net gain on sale and closure of businesses		24	–	–	–	(24)	–	–
Finance costs	5	(200)	–	–	–	–	34	(166)
Profit before tax		2,137	153	8	–	94	34	2,426
Income tax expense	6	(525)	(32)	(1)	–	(21)	(9)	(588)
Profit for the year		1,612	121	7	–	73	25	1,838
Less: Non-controlling interests		(5)	–	–	–	–	–	(5)
Profit attributable to equity shareholders		1,607	121	7	–	73	25	1,833
Currency adjustments								(15)
Profit attributable to equity shareholders – constant currency								1,818
Earnings per share (cents)		92.2c	7.0c	0.4c	–	4.2c	1.4c	105.2c
Earnings per share – constant currency (cents)								104.3c
Effective tax rate (%)		24.6%						24.2%

1. See note 1.

Specific adjusting items are as follows:

1. Acquisition-related charges
Represent amortisation and impairment charges in respect of intangible assets acquired through business combinations, direct costs incurred through business combinations or other strategic asset acquisitions, business integration costs, changes in consideration in relation to past acquisition activity, other acquisition-related items (see note 3) and, from 2024, net present value adjustments on deferred and contingent consideration payable on business acquisitions (see note 5).

2. One-off pension charge
Mainly reflects a past service cost following a change in legislation in Türkiye eliminating the minimum retirement age requirement for certain employees effective from March 2023 (see note 24).

3. Tax on share of profit of joint ventures
Reclassification of tax on share of profit of joint ventures to income tax expense.

4. Gains and losses on sale and closure of businesses and charges related to the strategic portfolio review
Profits and losses on the sale of subsidiaries, joint ventures and associates, exit costs on closure of businesses (see note 27) and charges in respect of a strategic portfolio review to focus on the Group's core markets (see note 3).

5. Other financing items
Financing items, including hedge accounting ineffectiveness, change in the fair value of derivatives held for economic hedging purposes, change in the fair value of investments and financing items relating to post-employment benefits (see note 5).

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

34 Non-GAAP measures continued

Reconciliations (continued)

Net operating profit after tax (NOPAT)	2024 $m	Restated[1] 2023 $m
Underlying operating profit	**2,998**	2,592
Deduct:		
Tax on underlying operating profit at effective tax rate	**(762)**	(626)
Operating profit of non-controlling interests net of tax	**(10)**	(5)
NOPAT	**2,226**	1,961

1. See note 1.

Underlying EBITDA	2024 $m	Restated[1] 2023 $m
Underlying operating profit	**2,998**	2,592
Add back/(deduct):		
Depreciation of property, plant and equipment and right-of-use assets	**594**	536
Amortisation of other intangible assets, contract fulfilment assets and contract prepayments[2]	**550**	482
Impairment losses –non-current assets[3]	**10**	12
Impairment reversals –non-current assets	**(7)**	(2)
Underlying EBITDA	**4,145**	3,620

1. See note 1.
2. Excludes amortisation of acquisition intangibles.
3. Excludes impairment losses of $156m (2023: $60m) included in charges related to the strategic portfolio review.

Balance sheet

Components of net debt	2024 $m	Restated[1] 2023 $m
Borrowings	**(4,596)**	(4,114)
Lease liabilities	**(1,315)**	(1,153)
Derivative financial instruments	**(103)**	(221)
Gross debt	**(6,014)**	(5,488)
Cash and cash equivalents	**623**	1,029
Net debt	**(5,391)**	(4,459)

1. See note 1.

Net debt reconciliation	2024 $m	Restated[1] 2023 $m
Net decrease in cash and cash equivalents	**(296)**	(1,273)
(Deduct)/add back:		
Increase in borrowings	**(1,381)**	(1)
Repayment of borrowings	**1,161**	543
Repayment of borrowings acquired through business acquisitions	**431**	–
Net cash flow from derivative financial instruments	**(46)**	(157)
Repayment of principal under lease liabilities	**227**	215
Decrease/(increase) in net debt from cash flows	**96**	(673)
New lease liabilities and amendments	**(325)**	(323)
Borrowings acquired through business acquisitions	**(431)**	–
Amortisation of fees and discounts on issue of debt	**(4)**	(5)
Changes in fair value of borrowings in a fair value hedge	**(175)**	(32)
Lease liabilities acquired through business acquisitions	**(35)**	–
Lease liabilities derecognised on sale and closure of businesses	**4**	11
Changes in fair value of derivative financial instruments	**115**	(9)
Currency translation losses	**(143)**	(91)
Increase in net debt	**(898)**	(1,122)
Net debt at 1 October	**(4,459)**	(3,337)
Cash and lease liabilities transferred to held for sale	**(34)**	–
Net debt at 30 September	**(5,391)**	(4,459)

1. See note 1.

34 Non-GAAP measures continued

Reconciliations (continued)

Net debt to EBITDA	2024 $m	Restated[1] 2023 $m
Net debt	(5,391)	(4,459)
Underlying EBITDA	4,145	3,620
Net debt to EBITDA (times)	**1.3**	1.2

1. See note 1.

Return on capital employed (ROCE)	2024 $m	Restated[1] 2023 $m
NOPAT	2,226	1,961
Average capital employed	11,722	10,138
ROCE (%)	**19.0%**	19.3%

1. See note 1.

Cash flow

Capital expenditure	2024 $m	Restated[1] 2023 $m
Purchase of intangible assets	329	263
Purchase of contract fulfilment assets	508	380
Purchase of property, plant and equipment	572	445
Investment in contract prepayments	213	88
Proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets	(81)	(78)
Capital expenditure	**1,541**	1,098

1. See note 1.

Underlying operating cash flow	2024 $m	Restated[1] 2023 $m
Net cash flow from operating activities	**3,135**	2,536
Purchase of intangible assets	(329)	(263)
Purchase of contract fulfilment assets	(508)	(380)
Purchase of property, plant and equipment	(572)	(445)
Proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets	81	78
Repayment of principal under lease liabilities	(227)	(215)
Share of results of joint ventures and associates	44	68
Add back/(deduct):		
Interest paid	267	208
Net tax paid	693	539
Post-employment benefit obligations net of service costs[2]	(7)	11
Cash payments related to the cost action programme and COVID-19 resizing costs	8	35
Cash payments related to the strategic portfolio review	8	24
Cash payments related to the one-off pension charge	8	11
Acquisition transaction costs	41	21
Underlying operating cash flow	**2,642**	2,228

1. See note 1.
2. 2023 excludes $10m of cash payments related to the one-off pension charge.

Underlying operating cash flow conversion	2024 $m	Restated[1] 2023 $m
Underlying operating cash flow	2,642	2,228
Underlying operating profit	2,998	2,592
Underlying operating cash flow conversion (%)	**88.1%**	86.0%

1. See note 1.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

34 Non-GAAP measures continued

Reconciliations (continued)

Free cash flow	2024 $m	Restated[1] 2023 $m
Net cash flow from operating activities	**3,135**	2,536
Purchase of intangible assets	**(329)**	(263)
Purchase of contract fulfilment assets	**(508)**	(380)
Purchase of property, plant and equipment	**(572)**	(445)
Proceeds from sale of property, plant and equipment/intangible assets/contract fulfilment assets	**81**	78
Purchase of other investments	**(2)**	(4)
Proceeds from sale of other investments[2]	**3**	4
Dividends received from joint ventures and associates	**65**	60
Interest received	**39**	61
Repayment of principal under lease liabilities	**(227)**	(215)
Dividends paid to non-controlling interests	**(10)**	(7)
Free cash flow	**1,675**	1,425

1. See note 1.
2. 2024 excludes $327m received in respect of the sale of the Group's 19% effective interest in ASM Global Parent, Inc. in August 2024.

Underlying free cash flow	2024 $m	Restated[1] 2023 $m
Free cash flow	**1,675**	1,425
Add back:		
Cash payments related to the cost action programme and COVID-19 resizing costs	**8**	35
Cash payments related to the strategic portfolio review	**8**	24
Cash payments related to the one-off pension charge	**8**	11
Acquisition transaction costs	**41**	21
Underlying free cash flow	**1,740**	1,516

1. See note 1.

Underlying free cash flow conversion	2024 $m	Restated[1,2] 2023 $m
Underlying free cash flow	**1,740**	1,516
Underlying profit for the year	**2,047**	1,838
Underlying free cash flow conversion (%)	**85.0%**	82.5%

1. See note 1.
2. As underlying free cash flow includes interest and tax cash flows, underlying profit for the year has replaced underlying operating profit as the denominator in the calculation of underlying free cash flow conversion. Underlying free cash flow conversion would be 58.0% in 2024 (2023: 58.5%) using underlying operating profit as the denominator.

Underlying cash tax rate	2024 $m	Restated[1] 2023 $m
Tax received	**18**	31
Tax paid	**(711)**	(570)
Net tax paid	**(693)**	(539)
Underlying profit before tax	**2,749**	2,426
Underlying cash tax rate (%)	**25.2%**	22.2%

1. See note 1.

Business growth

Net new business	2024 $m	Restated[1] 2023 $m
New business less lost business	**1,573**	1,472
Prior year organic revenue	**37,075**	31,872
Net new business (%)	**4.2%**	4.6%

1. See note 1.

35 Exchange rates

Average rates are used to translate the income statement and cash flow statement. Closing rates are used to translate the balance sheet. Only the most significant currencies are shown.

	2024	2023
Average exchange rate for the year		
Australian dollar	**1.51**	1.51
Brazilian real	**5.20**	5.09
Canadian dollar	**1.36**	1.35
Euro	**0.92**	0.94
Japanese yen	**150.03**	140.07
Pound sterling	**0.79**	0.82
Turkish lira	**31.33**	21.51
Closing exchange rate at 30 September		
Australian dollar	**1.44**	1.55
Brazilian real	**5.45**	5.00
Canadian dollar	**1.35**	1.35
Euro	**0.90**	0.94
Japanese yen	**143.04**	149.22
Pound sterling	**0.75**	0.82
Turkish lira	**34.19**	27.41

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

36 Details of related undertakings of Compass Group PLC

A full list of related undertakings as at 30 September 2024 is set out below. Related undertakings include: wholly-owned subsidiary undertakings, joint arrangements, memberships, and associates. Unless otherwise stated, the Group's shareholding represents 100% ordinary shares held indirectly by Compass Group PLC.

Principal subsidiaries	Principal activities
Australia	
Ground Floor 35 – 51 Mitchell Street, McMahons Point, NSW 2060, Australia	
Compass Group (Australia) Pty Limited	Food and support services
Belgium	
1831 Diegem, Hermeslaan 1H, Belgium	
Compass Group Belgium NV	Food services
Canada	
1 Prologis Boulevard, Suite 400, Mississauga, Ontario L5W 0G2, Canada	
Compass Group Canada Ltd. Groupe Compass Canada Ltée (iii)(iv)(v)(vi)(viii)	Food and support services
Chile	
Av. Las Condes 11.774, 7th floor, Vitacura, Santiago, Chile	
Compass Catering Y Servicios Chile Limitada	Food and support services
Denmark	
Rued Langgards Vej 8, 1. sal, 2300 København S, Denmark	
Compass Group Danmark A/S	Food services
Finland	
P.O. Box 210, FI-00281 Helsinki, Finland	
Compass Group Finland Oy	Food services
France	
123 Avenue de la République – Hall A, 92320 Châtillon, France	
Compass Group France Holdings SAS	Holding company
Compass Group France SAS	Food and support services
Germany	
Helfmann-Park 2, 65760, Eschborn, Germany	
Compass Group Deutschland GmbH	Holding company
Eurest Deutschland GmbH	Food services to Business and Industry
Eurest Services GmbH	Support services to Business and Industry
Italy	
Via Angelo Scarsellini, 14, 20161, Milano, Italy	
Compass Group Italia S.p.A.	Food and support services
Japan	
Hamarikyu Kensetsu Plaza, 5-5-12, Tsukiji, Chuo-ku, Tokyo 104-0045, Japan	
Compass Group Japan Inc.	Food and support services
Netherlands	
Haaksbergweg 70, 1101 BZ, Amsterdam, Netherlands	
Compass Group International B.V.	Holding company
Compass Group Nederland B.V.	Food and support services
Compass Group Nederland Holding B.V.	Holding company
Norway	
Drengsrudbekken 12, 1383, PO Box 74, NO-1371, Asker, Norway	
Compass Holding Norge AS	Holding company
Spain	
Calle Pinar de San José 98 planta 1ª 28054 Madrid, Spain	
Eurest Colectividades S.L.U.	Food and support services
Sweden	
Box 1183, 171 23 Solna, Stockholm, Sweden	
Compass Group Sweden AB	Holding company
Switzerland	
Oberfeldstrasse 14, 8302, Kloten, Switzerland	
Compass Group (Schweiz) AG	Food and support services
Türkiye	
Ünalan Mah. Libadiye Cad. Emaar Square Sit. F Blok No:82F/77 Üsküdar Istanbul, Türkiye	
Sofra Yemek Űretim Ve Hizmet A.Ş. (iii)	Food and support services
United Kingdom	
Parklands Court, 24 Parklands, Birmingham Great Park, Rubery, Birmingham, B45 9PZ, United Kingdom	
Compass Contract Services (U.K.) Limited	Food and support services
Compass Group, UK and Ireland Limited	Holding company
Foodbuy Europe Limited (iii)(iv)	Client procurement services management in the UK
Compass House, Guildford Street, Chertsey, Surrey, KT16 9BQ, United Kingdom	
Compass Group Holdings PLC (i)(iii)	Holding company and corporate activities
Hospitality Holdings Limited (i)	Intermediate holding company
United States	
2710 Gateway Oaks Drive, Suite 150N, Sacramento, CA 95833-3505, US	
Bon Appétit Management Co. (viii)	Food services
251 Little Falls Drive, Wilmington, DE 19808, US	
Compass Group USA Investments Inc.	Holding company
Compass Group USA, Inc. (viii)	Food and support services
Crothall Services Group	Support services to the Healthcare market
Foodbuy, LLC	Purchasing services in North America
Markvend Co.	Vending, coffee, dining and micro market services
Restaurant Associates Corp.	Fine dining facilities
80 State Street, Albany, NY 12207-2543, US	
Flik International Corp.	Fine dining facilities
801 Adlai Stevenson Drive, Springfield, IL 62703, US	
Levy Restaurant Limited Partnership	Fine dining and food service at Sports and entertainment facilities
2 Sun Court, Suite 400, Peachtree Corners, GA 30092, US	
Morrison Management Specialists, Inc. (viii)	Food services to the Healthcare and Senior Living market

Notes
1. Unless stated otherwise, country shown is place of incorporation.
2. In some of the jurisdictions where we operate, share classes are not defined and in these instances, for the purposes of disclosure, we have classified these holdings as ordinary.
3. A number of the companies listed are legacy companies which no longer serve any operational purpose.

Classifications key
(i) Directly owned by Compass Group PLC
(ii) Dormant/non-trading
(iii) A Ordinary shares
(iv) B Ordinary shares
(v) C Ordinary and/or Special shares
(vi) D, E and/or F Ordinary shares
(vii) Deferred shares
(viii) Preference including cumulative, non-cumulative and redeemable shares
(ix) Redeemable shares
(x) No share capital, share of profits
(xi) Limited by guarantee

36 Details of related undertakings of Compass Group PLC continued

Other wholly owned subsidiaries

Algeria

Eurojapan Résidence No.23, RN n°3 BP 398, Hassi Messaoud, Algeria

Eurest Algerie SPA

Angola

Condominio Dolce Vita, Via S8, Edifício 1D, Fração A & B, 2º andar, Talatona, Município de Belas, Luanda, República de Angola

Express Support Services, Limitada

Australia

Ground Floor 35 – 51 Mitchell Street, McMahons Point, NSW 2060, Australia

28 Villages Pty Ltd
Compass (Australia) Catering & Services PTY Ltd (iii)(iv)
Compass Group B&I Hospitality Services PTY Ltd
Compass Group Defence Hospitality Services PTY Ltd
Compass Group Education Hospitality Services PTY Ltd
Compass Group Events Stadia Venues Hospitality Services Pty Ltd
Compass Group Healthcare Hospitality Services PTY Ltd
Compass Group Health Services Pty Ltd
Compass Group Management Services PTY Ltd
Compass Group Relief Hospitality Services PTY Ltd
Compass Group Remote Hospitality Services PTY Ltd
Delta Facilities Management PTY Ltd
Delta FM Australia PTY Ltd
Eurest (Australia) Food Services PTY Ltd
Eurest (Australia) PTY Ltd
Foodbuy Pty Ltd
HEC Hospitality Services Pty Ltd
Omega Security Services PTY Ltd
Village Hospitality Holdings Pty Ltd
Village Hospitality Services Pty Ltd

Austria

Ignaz-Köck-Str. 8/6, 1210 Vienna, Austria

Die Menü-Manufaktur GmbH

IZD Tower, Wagramer Strasse 19/4. Stock, 1220 Wien, Austria

Compass Group Austria Holdings One GmbH
Compass Group Austria Holdings Two GmbH
Eurest Restaurationsbetriebsgesellschaft m.b.H
Kunz Gebäudereinigung GmbH

Belgium

1831 Diegem, Hermeslaan 1H, Belgium

Compass Group Service Solutions NV
F.L.R. Holding NV (ii)
Xandrion Belgie BV

Boomseseenweg 28, 2627 Schelle, Belgium

J&M Catering Services NV
Flinckheuvel BV
Silverspoon BV

Gemeentepark 5, 2930 Brasschaat, Belgium

Kasteel Van Brasschaat NV

British Virgin Islands

Craigmuir Chambers, PO Box 71, Roadtown, Tortola, VG1110, British Virgin Islands

Compass Group Holdings (BVI) Limited

Cambodia

c/o Action Group Ltd., No.12, Street 614, Sangkat Boeung Kok II, Khan Tuol Kork, Phnom Penh City, Cambodia

Compass Group (Cambodia) Co. Ltd. (ii)

Cameroon

100, Rue n° 1044 Hydrocarbures, Bonapriso, BP 5767, Douala, Cameroon

Eurest Cameroun SARL (ii)
Eurest Camp Logistics Cameroun SARL (ii)

Canada

12 Kodiak Crescent, Toronto, Ontario, M3J 3G5, Canada

Imperial Coffee and Services Inc. (iii)(iv)(v)

1 Prologis Boulevard, Suite 400, Mississauga, Ontario L5W 0G2, Canada

Canteen of Canada Limited (iii)
Compass Canada Support Services Ltd (iii)(iv)(v)(vi)(viii)
Compass Group Canada Operations Ltd (iii)
GoJava Inc. (iii)(viii)

1600-421 7 Avenue SW, Calgary, Alberta T2P 4K9, Canada

McMurray Coin Machines (1983) Ltd

1969 Upper Water Street, Purdy's Wharf Tower II, Suite 1300, Halifax, Nova Scotia B3J 3R7, Canada

Crothall Services Canada Inc. (iii)(iv)

5B rue De Montgolfier, Boucherville, Québec, J4B 8C4, Canada

Caf-Caf Inc. (iii)(iv)(v)(vi)

1959 Upper Water Street, Suite 1100, Halifax, Nova Scotia, B3J 3E5, Canada

East Coast Catering (NS) Limited (iii)

30 Queen's Road, St. John's, Newfoundland and Labrador, A1C 2A5, Canada

East Coast Catering Limited (iii)(iv)(v)(viii)
Long Harbour Catering Limited Partnership (x)
Long Harbour Catering Limited (iii)(viii)

2580 Rue Dollard, Lasalle, Quebec, H8N 1T2, Canada

Groupe Compass (Québec) Ltée (iii)(iv)(v)(vi)(viii)

Chile

Av. Las Condes 11.774, 7th floor, Vitacura, Santiago, Chile

Cadelsur S.A.
Compass Catering S.A.
Compass Servicios S.A.
Scolarest S.A.

Colombia

Calle 98#11B – 29 Bogotá – Colombia

Compass Group Services Colombia S.A.

Congo

Enceinte de Brometo Centre Ville, BP 5208, Pointe-Noire, The Democratic Republic of the Congo

Eurest Services Congo SARL (ii)

Cyprus

195, Arch. Makariou III Avenue, Neocleous House, 3030 Limassol, Cyprus

Eurest Support Services (Cyprus) International Ltd

France

123 Avenue de la République – Hall A, 92320 Châtillon, France

Academie Formation Groupe Compass SAS
Caterine Restauration SAS
Eurest Sports & Loisirs SAS
La Puyfolaise de Restauration SAS
Levy Restaurants France SAS
Mediance SAS
Memonett SAS
Servirest SAS
SHRM Angola SAS (ii)
Société Nouvelle Lecocq SAS
Sud Est Traiteur SAS

Rue des Artisans, ZA de Bel Air, 12000 Rodez, France

Central Restauration Martel (CRM)

Zone Artisanale, 40500 Bas Mauco, France

Culinaire Des Pays de L'Adour SAS

40, Bd de Dunkerque, 13002 Marseille, France

Société International D'Assistance SA (ii)

Lieu Dit la Prade, 81580 Soual, France

Occitanie Restauration SAS

3 rue Camille Claudel Atlanparc Bat.M, Zone Kerluherne, CS 20043, 56890 Plescop, France

Océane de Restauration SAS

Rue Eugène Sué, Zone Industrielle de Blanzat, 03100 Montluçon, France

Sogirest SAS

Gabon

ZONE OPRAG, (Face á Bernabé Nouveau Port), BP 1292, Port Gentil, Gabon

Eurest Support Services Gabon SA (ii)

Germany

Adelbert-Hofmann-Straße 6, 97944 Boxberg, Germany

Hofmann Catering-Service GmbH
Hofmann-Menü Holdings GmbH
Hofmann Menü-Manufaktur GmbH

Adolphsplatz 1, 20457 Hamburg, Germany

Maison van den Boer Deutschland GmbH

Helfmann-Park 2, 65760, Eschborn, Germany

Compass Group GmbH
Eurest Süd GmbH
Food affairs GmbH
Kanne Café GmbH
Medirest GmbH
MU Catering Bremen GmbH

Konrad-Zuse-Platz 2, 81829 München, Germany

Leonardi HPM GmbH
Leonardi SVM GmbH
Levy Restaurants GmbH

Sankt-Florian-Weg 1, 30880, Laatzen, Germany

orgaMed Betriebsgesellschaft für Zentralsterilisationen GmbH
PLURAL Gebäudemanagement GmbH
PLURAL Personalservice GmbH
PLURAL Servicepool GmbH

Guernsey

Plaza House, Third Floor, Elizabeth Avenue, St. Peter Port, Guernsey GY1 2HU

Compass Group Finance Ltd

Hong Kong

Room 805, 8/F, New Kowloon Plaza, 38 Tai Kok Tsui Road, Kowloon, Hong Kong

Compass Group Hong Kong Ltd
Encore Catering Ltd
Shing Hin Catering Group Ltd

India

7th Floor, Tower B, Spaze I – Tech Park, Sector 49, Sohna Road, Gurgaon – 122018, India

Compass Group (India) Private Limited
Compass India Food Services Private Limited

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

36 Details of related undertakings of Compass Group PLC continued

Ireland

3rd Floor, 43a, Yeats Way, Parkwest Business Park, Dublin 12, Ireland

Amstel Limited (ii)

Catering Management Ireland Limited (ii)

Cheyenne Limited (ii)

Compass Catering Services, Ireland Limited

COH Ireland Investments Unlimited Company (viii)(ix)

Drumburgh Limited (ii)

Fitzers Catering Events, Venue & Location Catering Limited

Management Catering Services Limited

National Catering Limited (ii)

Rushmore Investment Company Limited (ii)(viii)

Sutcliffe Ireland Limited

Zadca Limited (ii)

Unit 3, 2050 Orchard Avenue, Cooldown Commons, Dublin, Ireland

Levy Ireland Limited

Unit 3, Northwest Business Park, Blanchardstown, Dublin 15, Ireland

Glanmore Foods Limited

79 Fitzwilliam Lane, Dublin 2, Dublin, D02 V567, Ireland

Gather & Gather International Limited

Gather & Gather Ireland Limited

Isle of Man

Tower House, Loch Promenade, Douglas, IM1 2LZ, Isle of Man

Queen's Wharf Insurance Services Limited (viii)

Japan

Hamarikyu Kensetsu Plaza, 5-5-12, Tsukiji, Chuo-ku, Tokyo 104-0045, Japan

Fuyo, Inc.

Jersey

44 Esplanade, St Helier, JE4 9WG, Jersey

Malakand Unlimited (i)

Kazakhstan

060011, Atyrauskaya Oblast, Atyrau City, Beibarys Sultan Avenue 506, Kazakhstan

Compass Kazakhstan LLP

Eurest Support Services Kazakhstan LLP (ii)

ESS Support Services LLP

Mangilik El Avenue, Building 55/23, Block C4.4, Office No.133, Esil district, Astana, Z05T3F6, Republic of Kazakhstan

EC Holding Limited

Kenya

209/8919 Sigma Road Off Enterprises Road, PO BOX 14 662, Nairobi, Kenya

Kenya Oilfield Services Ltd (ii)

Luxembourg

1-5 rue de l'Innovation, L-1896 Kockelscheuer, Luxembourg

Eurest Luxembourg S.A.

IMMO Capellen S.A.

Innoclean S.A.

Novelia Senior Services S.A.

Malaysia

Level 21, Suite 21.01, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia

Compass Group Malaysia Sdn Bhd

Mexico

Calle Jaime Balmes 11, Oficina 101 letra D, Colonia Los Morales Polanco, Alcaldía Miguel Hidalgo, 11510 Ciudad de México, Mexico

Compass México Servicios de Soporte, S.A. De C.V. (iii)(iv)

Eurest Proper Meals de Mexico S.A. de C.V. (iii)(iv)

Servicios Corporativos Eurest-Proper Meals de Mexico S.A. De C.V. (iii)(iv)

251 Little Falls Drive, Wilmington, DE 19808, USA

Food Works of Mexico, S. de R.L. de C.V. (ii)(iii)(iv)

Food Works Services of Mexico, S. de R.L. De C.V. (ii)(iii)(iv)

Netherlands

Haaksbergweg 70, 1101 BZ, Amsterdam, Netherlands

CGI Holdings (2) B.V.

Compass Group Finance Netherlands B.V.

Compass Group Holding B.V.

Compass Group International 2 B.V.

Compass Group International 3 B.V.

Compass Group International 4 B.V.

Compass Group International 5 B.V.

Compass Group International 9 B.V.

Compass Group International Finance 1 B.V.

Compass Group International Finance 2 B.V.

Compass Group Vending Holding B.V.

Compass Hotels Chertsey B.V.

Eurest Services B.V.

Famous Flavours B.V. (viii)

Middenweg 168e, 1782BL Den Helder, Netherlands

Eurest Support Services (ESS) B.V.

De Amert 207, 5462GH, Veghel, Netherlands

Maison van den Boer B.V.

Stationsweg 95, 6711 PM Ede, Netherlands

Xandrion B.V.

New Caledonia

85 Avenue du Général de Gaulle, Immeuble Carcopino 3000, BP 2353, 98846 Nouméa Cedex, New Caledonia

Eurest Caledonie SARL (ii)

New Zealand

Level 3, 7-11 Kenwyn Street, Parnell, Auckland, 1052, New Zealand

Compass Group New Zealand Limited

Crothall Services Group Limited (ii)

Eurest NZ Limited (ii)

Norway

Drengsrudbekken 12, 1383, PO Box 74, NO-1371, Asker, Norway

Compass Group Norge AS (iii)

Forusparken 2, 4031 Stavanger, Postboks 8083 Stavanger Postterminal, 4068, Stavanger, Norway

ESS Mobile Offshore Units AS

ESS Support Services AS

Papua New Guinea

c/o Warner Shand Lawyers Waigani, Level 1 RH Hypermarket, Allotment 1 Section 479 (off Kennedy Road), Gordons NCD, Papua New Guinea

Eurest (PNG) Catering & Services Ltd (ii)

Philippines

37F Cyberscape Gamma. Topaz and Ruby Roads. Ortigas Center, Pasig City

Compass Group Philippines Inc (ii)

Poland

Ul. Olbrachta 94, 01-102 Warszawa, Poland

Compass Group Poland Sp. Z o.o.

Portugal

Edífcio Prime, Avenida Quinta Grande, 53-60, Alfragide 2614-521 Amadora, Portugal

Eurest (Portugal) – Sociedade Europeia de Restaurantes, Lda.

Eurest Catering & Services Group Portugal, Lda.

Singapore

82 Ubi Avenue 4, #07-03 Edward Boustead Centre, 408832, Singapore

Compass Group (Singapore) PTE Ltd (iii)(iv)

8 Marina Boulevard, # 05-02, Marina Bay Financial Centre, 018981, Singapore

Compass Group Asia Pacific PTE. Ltd (ii)

Spain

Calle Frederic Mompou 5, planta 5a, Edificio Euro 3, 08960, San Just Desvern, Barcelona, Spain

Asistentes Escolares, S.L.

Eurest Catalunya, S.L.U.

Medirest Social Residencias, S.L.U.

Calle Castilla 8-10 – C.P. 50.009, Zaragoza, Spain

Servicios Renovados de Alimentacion, S.A.U.

Calle Pinar de San José 98, Planta 1a, 28054, Madrid, Spain

Eurest Parques, S.L.U.

Eurest Servicios Feriales, S.L.U.

Poligono Ugaldeguren 1, Parcela 7, 48160 Derio (Vizcaya), Spain

Eurest Euskadi S.L.U.

Calle R, s/n, Mercapalma, 07007 Palma de Mallorca, Baleares, Spain

Compass Group Holdings Spain, S.L.U.

Levy Compass Group Holdings, S.L. (ii)

Sweden

Box 1183, 171 23 Solna, Stockholm, Sweden

Compass Group AB

Switzerland

c/o BDO AG, Industriestrasse 53, 6312 Steinhausen, Switzerland

Creative New Food Dream Steam GmbH

c/o Buchhaltungs- und Revisions – AG, Bundesstrasse 3, 6302 Zug, Switzerland

Hofmann Swiss Prime Menue AG

Gwattstrasse 8, 3185 Schmitten FR, Switzerland

Sevita Group GmbH

Oberfeldstrasse 14, 8302, Kloten, Switzerland

Restorama AG

Türkiye

Ünalan Mah. Libadiye Cad. Emaar Square Sit. F Blok No:82F/73 Üsküdar Istanbul, Türkiye

Euroserve Gűvenlik A.Ş.

Ünalan Mah. Libadiye Cad. Emaar Square Sit. F Blok No:82F/78 Üsküdar Istanbul, Türkiye

Euroserve Hizmet ve İşletmecilik A.Ş.

Ünalan Mah. Libadiye Cad. Emaar Square Sit. F Blok No:82F/74 Üsküdar Istanbul, Türkiye

Turkaş Gıda Hizmet ve İşletmecilik A.Ş.

36 Details of related undertakings of Compass Group PLC continued

United Kingdom

Parklands Court, 24 Parklands, Birmingham Great Park, Rubery, Birmingham, B45 9PZ, United Kingdom

14Forty Limited [ii]
3 Gates Services Limited [ii]
A.C.M.S. Limited [ii]
Air Publishing Limited
Bateman Catering Limited [ii][vii]
Bateman Healthcare Services Limited [ii]
Baxter and Platts Limited [iii][iv][v]
Bromwich Catering Limited [ii]
Business Clean Limited [ii]
Capitol Catering Management Services Limited
Carlton Catering Partnership Limited [ii][iii]
Castle Independent Limited [ii]
Cataforce Limited [ii]
Caterexchange Limited [ii]
Caterskill Group Limited [ii]
Caterskill Management Limited [ii]
Chalk Catering Ltd [ii]
Chartwells Hounslow (Feeding Futures) Limited [iii][iv]
Chartwells Limited [ii]
Circadia Limited [ii]
Cleaning Support Services Limited [ii]
Compass Accounting Services Limited [ii]
Compass Catering Services Limited [ii]
Compass Cleaning Services Limited [ii]
Compass Contract Services Limited [ii]
Compass Contracts UK Limited [ii][viii]
Compass Experience Limited [ii][vii]
Compass Food Services Limited
Compass Group Medical Benefits Limited [ii]
Compass Mobile Catering Limited [ii]
Compass Office Cleaning Services Limited [ii]
Compass Payroll Services Limited [ii]
Compass Planning and Design Limited [ii]
Compass Purchasing Limited
Compass Road Services Limited [ii]
Compass Security Limited [ii][vii]
Compass Security Oldco Group Limited [ii]
Compass Security Oldco Holdings Limited [ii]
Compass Security Oldco Investments Limited [ii]
Compass Services (Midlands) Limited [ii]
Compass Services for Hospitals Limited [ii][viii]
Compass Services Group Limited [ii]
Compass Services Limited [ii]
Compass Services Trading Limited [ii]
Compass Services, UK and Ireland Limited
Compass Services (U.K.) Limited
Compass Staff Services Limited [ii]
Cookie Jar Limited [ii]
CRBS Resourcing Limited [ii]
CRN 1990 (Four) Limited [ii]
Customised Contract Catering Limited [ii]
Cygnet Food Holdings Limited [ii]
Cygnet Foods Limited
Dine Contract Catering Limited
DRE Developments Limited [ii]
E-Foods Limited
Eat Dot Limited [ii][iii]
Eaton Catering Limited [ii]
Eaton Wine Bars Limited [ii]
EF Group Ltd [iii][iv]
Elvendon Restaurants Limited
Equinoxe Solutions Limited
Eurest Airport Services Limited [ii]
Eurest Defence Support Services Limited [ii]
Eurest Offshore Support Services Limited [ii][viii]
Eurest Prison Support Services Limited [ii]
Eurest UK Limited [ii]
Everson Hewett Limited [ii][iii][iv]
Facilities Management Catering Limited [ii]
Fads Catering Limited [ii]
Fairfield Catering Company Limited [ii]
Fingerprint Managed Services Limited [ii]
Funpark Caterers Limited [ii][iii]
Goodfellows Catering Management Services Limited [ii]
Gruppo Events Limited [ii]
Hallmark Catering Management Limited [ii]
Hamard Catering Management Services Limited [ii][vii]
Hamard Group Limited [ii]
Henry Higgins Limited [ii]
Hospital Hygiene Services Limited [ii]
Integrated Cleaning Management Limited
Integrated Cleaning Management Support Services Limited
Keith Prowse Limited [ii]
Kennedy Brookes Finance Limited [ii]
Knott Hotels Company of London [ii]
Langston Scott Limited [ii]
Leisure Support Services Limited [iii][iv]
Leith's Limited [ii]
Letheby & Christopher Limited [ii]
Meal Service Company Limited [ii]
Milburns Catering Contracts Limited [ii]
Milburns Limited [ii]
Milburns Restaurants Limited [ii][iii]
National Leisure Catering Limited [ii]
NLC (Holdings) Limited [ii]
NLC (Wembley) Limited [ii]
P & C Morris (Catering) Ltd [ii][vii]
P & C Morris Catering Group Limited [ii]
Payne & Gunter Limited [ii]
Pennine Services Limited [ii]
Peter Parfitt Leisure Overseas Travel Limited [ii]
Peter Parfitt Sport Limited [ii][vii]
PPP Infrastructure Management Limited
Prideoak Limited [ii]
QCL Limited [ii]
Regency Purchasing Group Limited [iii][iv][v][vi]
Regency Technologies Ltd [iii][iv]
Reliable Refreshments Limited
Rhine Four Limited [ii][vii]
Rocket Food Ltd [iii]
Roux Fine Dining Limited [ii]
Scolarest Limited [ii]
Security Office Cleaners Limited [ii]
Selkirk House (CVH) Limited [ii]
Selkirk House (FP) Limited [ii][iii][iv][v]
Selkirk House (GHPL) Limited [ii][viii]
Selkirk House (GTP) Limited [ii]
Selkirk House (WBRK) Limited
Shaw Catering Company Limited
Ski Class Limited [ii]
Solutions on Systems Ltd [ii]
Summit Catering Limited [ii]
Sunway Contract Services Limited
Sutcliffe Catering Midlands Limited [ii]
Sutcliffe Catering South East Limited [ii]
Sycamore Newco Limited [ii]
The Bateman Catering Organization Limited [ii][viii]
The Cuisine Centre Limited [ii]
THF Oil Limited [ii]
Tunco (1999) 103 Limited [ii]
Vendepac Holdings Limited [viii]
Vivo Markets Ltd
Waseley Fifteen Limited [ii]
Waseley Nominees Limited [ii]
Wembley Sports Arena Limited [ii]
Wheeler's Restaurants Limited [ii][vii]
Woodin & Johns Limited [ii]

Compass House, Guildford Street, Chertsey, Surrey, KT16 9BQ, United Kingdom

Audrey (London) Limited [ii]
Audrey Investments Limited [ii]
Bateman Services Limited [ii]
Compass Group Finance No.2 Limited [i]
Compass Group Finance No.3 Limited
Compass Group Finance No.4 Limited [i][iii][iv][viii]
Compass Group Finance No.5 Limited [i][ii][xi]
Compass Group North America Investments No.2
Compass Group North America Investments Limited
Compass Group Pension Trustee Company Limited [ii]
Compass Group Procurement Limited
Compass Group Trustees Limited [ii]
Compass Healthcare Group Limited [ii][viii]
Compass Hotels Chertsey [iii]
Compass Nominee Company Number Fourteen Limited [ii]
Compass Overseas Holdings Limited
Compass Overseas Holdings No.2 Limited
Compass Overseas Services Limited [ii]
Compass Pension Trustees Limited [ii]
Compass Quest Limited [ii]
Compass Secretaries Limited [ii]
Compass Site Services Limited [ii][vii]
Compass UK Pension Trustee Co Limited [ii]
CRISP Trustees Limited [ii]
Meritglen Limited [ii][vii][viii]
Nextonline Limited [iii][iv]
Sevita (UK) Limited
The Compass Group Foundation
The Excelsior Insurance Company Limited

Kings Park House, Laurelhill Business Park, Stirling, Scotland, FK7 9JQ, United Kingdom

Inspire Catering Scotland LLP

Suite D, Pavilion 7 Kingshill Park, Venture Drive, Arnhill Business Park, Westhill, Aberdeenshire, AB32 6FL, United Kingdom

CCG (UK) Ltd [ii]
Coffee Partners Limited [ii]
Compass Offshore Catering Limited [ii][viii]
Compass Scottish Site Services Limited [ii]
Waseley (CVI) Limited [ii]
Waseley (CVS) Limited [ii]

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

36 Details of related undertakings of Compass Group PLC continued

1st Floor, 12 Cromac Quay, Cromac Wood, Belfast, Northern Ireland, BT7 2JD, United Kingdom
Lough Erne Holiday Village Limited (ii)

550 Second Floor Thames Valley Park, Reading, RG6 1PT, United Kingdom
Absolutely Catering Limited
Catermasters Contract Catering Limited (ii)
CH & Co Catering Group (Holdings) Limited
CH & Co Catering Group Limited
CH & CO Catering Limited
Company of Cooks Ltd
Concerto Group Holdings Limited (ii)
Concerto Group Limited
Gather & Gather Limited
Orchestra Bidco Limited
Orchestra Holdco Limited
Orchestra Midco Limited
Orchestra Topco Limited
Principal Catering Consultants Limited
Public Restaurant Partner Limited
The Brookwood Partnership Limited (ii)
Ultimate Experience Limited (ii)
Vacherin Limited

C/O Evelyn Partners LLP, 4th Floor, Cumberland House, 15-17 Cumberland Place, Southampton, SO15 2BG, United Kingdom
Bite Catering Limited
Concerto Events Limited (ii)
Create Food Limited (ii)
Creativevents Limited (ii)
Ensemble Combined Services Limited (ii)
Harbour and Jones Limited (ii)
HCMGH Limited (ii)
Host Management Limited (ii)
Juice for Life LTD
Upfront Reception Services Limited

Linea House, Harvest Crescent, Fleet, GU51 2UZ, United Kingdom
Citrea Catering Limited (ii)
Citrea Limited
Pabulum Catering Limited (ii)
Pabulum Limited

C/O James Cowper Kreston, 8th Floor South, Reading Bridge House, George Street, Reading, RG1 8LS, United Kingdom
Blue Apple Catering Holdings Limited
Blue Apple Contract Catering Limited

United States

2710 Gateway Oaks Drive, Suite 150N, Sacramento, CA 95833-3505, US
Bon Appétit Management Company Foundation
C&B Holdings, LLC
H&H Catering, L.P.

211 E. 7th Street, Suite 620, Austin, TX 78701-3218, US
Bamco Restaurants of Texas LLC
Levy Premium Foodservice, L.L.C. (ii)
Levy Texas Beverages, LLC
Morrison's Health Care of Texas, Inc.
University Food Services, Inc.
Wolfgang Puck Catering & Events of Texas, LLC

2345 Rice Street, Suite 230, Roseville, MN 55113, US
Canteen One, LLC
Street Eats Limited

84 State Street, Boston, MA 02109, US
Fame Food Management Inc.

7 St. Paul Street, Suite 820, Baltimore, MD 21202, US
Levy Baltimore, LLC

251 Little Falls Drive, Wilmington, DE 19808, US
A.Anthony, LLC
BenchWorks, Inc.
BlueStar Refreshment Services, LLC
CCL Hospitality Group, LLC
CG Analytics and Consulting, LLC
CLS Par, LLC
Compass LATAM Corp.
Compass LCS, LLC
Compass LV, LLC
Compass Paramount, LLC
Concierge Consulting Services, LLC
Convenience Foods International, Inc.
Coreworks, LLC
Corporate Essentials LLC
Crothall Healthcare Inc.
Eat Cloud LLC
Epicurean Group, LLC
Epicurean Federal, LLC
Epicurean Management Group, LLC
Eurest Services, Inc.
Facilities Holdings, LLC
Flik One, LLC
Fresh & Ready Foods LLC
HC Foods, LLC
Levy Oklahoma, Inc.
Levy Prom Golf, LLC
Morrison Investment Company, Inc.
MMS JV Holdings, LLC
National Produce Consultants, LLC
Parlay Solutions, LLC
RAC Holdings Corp. (iii)
Rank + Rally, LLC
Restaurant Services I, LLC
S-82 LLC
SpenDifference LLC
The HUB Design Innovation & Hospitality Services, LLC
Touchpoint Support Services, LLC
Unidine Corporation
Unidine Lifestyles, LLC
Unidine Nevada, LLC
University Food Services, LLC
Wolfgang Puck Catering and Events, LLC
WPL, LLC
Yorkmont Four, Inc.

801 Adlai Stevenson Drive, Springfield, IL 62703, US
E15, LLC
Levy (Events) Limited Partnership
Levy (IP) Limited Partnership
Levy Food Service Limited Partnership
Levy GP Corporation
Levy Holdings GP, Inc.
Levy Illinois Limited Partnership
Levy Premium Foodservice Limited Partnership
Levy R&H Limited Partnership
Levy World Limited Partnership
Professional Sports Catering, LLC
Restaurant One Limited Partnership
RT Wholesale, LLC
Superior Limited Partnership

508 Meeting Street, West Columbia, SC 29169, US
CGSC Capital, Inc.

450 Laurel Street, 8th Floor, Baton Rouge, LA 70801, US
Coastal Food Service, Inc.
S.H.R.M. Catering Services, Inc.

80 State Street, Albany, NY 12207-2543, US
CulinArt Group, Inc.
CulinArt, Inc.
Hudson Yards Catering, LLC
Hudson Yards Enterprises LLC
Hudson Yards Sports & Entertainment LLC
Mazzone Hospitality, LLC
NYMM F&B Management, LLC
Quality Food Management, Inc.
RA Tennis Corp.
RANYST, Inc.
Restaurant Associates LLC
Restaurant Associates, Inc.
Restaurant Services Inc.
USE LI F&B Management, LLC
USE 1V F&B Management, LLC
USE 520 5th F&B Management, LLC
545 West 30th Street F&B Management, LLC

2626 Glenwood Avenue, Suite 550, Raleigh, NC 27608, US
Compass 2K12 Services, LLC
Compass HE Services, LLC
Compass One, LLC
Compass Two, LLC
Strategic Dining Services, LLC
Waveguide LLC

2595 Interstate Drive, Suite 103, Harrisburg, PA 17110, US
Crothall Facilities Management, Inc.
Custom Management Corporation of Pennsylvania
Morrison's Custom Management Corporation of Pennsylvania
Newport Food Service, Inc.

40 Technology Pkwy South, #300, Norcross, GA 30092, US
Food Services Management By Mgr, LLC
Morrison Alumni Association, Inc.
The M-Power Foundation, Inc.

221 Bolivar Street, Jefferson City, MO 65101, US
Fresh Ideas Management, LLC

Princeton South Corporate Ctr, Suite 160, 100 Charles Ewing Blvd, Ewing, NJ 08628, US
Gourmet Dining, LLC

2900 SW Wanamaker Drive, Suite 204, Topeka, KS 66614, US
Levy Kansas, LLC
Myron Green Corporation
PFM Kansas, Inc.
Treat America Limited

2908 Poston Avenue, Nashville, TN 37203, US
Southeast Service Corporation

8585 Old Dairy Road, Suite 208, Juneau, AK 99801, US
Statewide Services, Inc.

600 S, 2nd Street, Suite 155, Bismarck, ND 58504, US
Compass ND, LLC

2 Sun Court, Suite 400, Peachtree Corners, GA 30092, US
Eversource LLC

36 Details of related undertakings of Compass Group PLC continued

Other subsidiaries, joint arrangements, memberships, associates and other significant holdings	% holding
Australia	
Level 3, 12 Newcastle Street, Perth 6000, Australia	
ESS Thalanyji PTY Ltd	60%
Canada	
1 Prologis Boulevard, Suite 400, Mississauga, Ontario, L5W 0G2, Canada	
Chef's Hall Inc. (iii)	67%
Compass Group Sports and Entertainment – (Quebec) (x)	67%
Mercatino Foods Inc. (iii)(iv)	60%
2455624 Ontario Inc. (iii)	51%
2686613 Ontario Inc. (iii)	51%
Ace Kosher Inc. (iii)(iv)(v)	51%
Bluff FD Inc. (iii)	51%
FDX Inc. (iii)	51%
Food Dudes Restaurant Group Inc. (iii)(iv)(v)	51%
The Food Dudes Inc. (iii)(iv)(v)(vi)	51%
ECC – ESS Support Services (x)	50%
2265668 Ontario Limited (iii)(iv)(v)(vi)(viii)	49%
Amik Catering LP (x)	49%
Dease River – ESS Support Services (x)	49%
Dene West Limited Partnership (x)	49%
ESS – East Arm Camp Services (x)	49%
ESS – Kaatodh Camp Services (x)	49%
ESS – Loon River Support Services (x)	49%
ESS – Mi'kmaq Support Services (x)	49%
ESS – Missanabie Cree Support Services (x)	49%
ESS – Na Cho Nyak Dun Camp Services (x)	49%
ESS – N'deh Support Services (x)	49%
ESS – Ochapowace Support Services (x)	49%
ESS – Pessamit Camp Services (x)	49%
ESS – Wapan Manawan Services de Soutien (x)	49%
ESS-CreeQuest Support Services	49%
ESS-Nuvumiut Support Services (x)	49%
Nuvumiut-ESS Support Services (x)	49%
Services de Soutien ESS-SDEUM (x)	49%
ESS-White River Support Services	49%
ESS Haisla Support Services (x)	49%
ESS HLFN Support Services (x)	49%
ESS KNRA Support Services (x)	49%
ESS Komatik Support Services (x)	49%
ESS Liard First Nation Support Services (x)	49%
ESS McKenzie Support Services (x)	49%
ESS Okanagan Indian Band Support Services (x)	49%
ESS Tataskweyak Camp Services (x)	49%
ESS/Bushmaster Camp Services (x)	49%
ESS/McLeod Lake Indian Band Support Services (x)	49%
ESS/Mosakahiken Cree Nation Support Services (x)	49%
ESS/Takla Lake Support Services (x)	49%
ESS/WEDC Support Services (x)	49%
First North Catering (x)	49%
Hill Plain – ESS Support Services (x)	49%
HLCS-ESS Support Services (x)	49%
JCP – ESS Support Services (x)	49%
KDM – ESS Support Services (x)	49%
Metis Infinity – ESS Support Services	49%
Mi'kma'ki Domiculture	49%
Mi'Kmaq-ECC Nova Scotia Support Services (x)	49%
Nisga'a Village – ESS Support Services (x)	49%
Poplar Point Catering (x)	49%
Songhees Nation Support Services (x)	49%
30 Queen's Road, St. John's, Newfoundland and Labrador, A1C 2A5, Canada	
Labrador Catering Inc. (iii)	49%
Labrador Catering LP (x)	49%
Clearwater River Dene Nation Reserve No. 222, P.O. Box 5050, Clearwater, Saskatchewan, S0M 3H0, Canada	
Clearwater Catering Limited (iii)(iv)(v)(vi)	49%
77 King Street West, No. 400, Toronto, Ontario, M5K 0A1, Canada	
O&B Yonge Richmond LP*	33.4%
1600-421 7 AVE SW, Calgary, Alberta T2P 4K9, Canada	
Komplete Modular Solutions Ltd. (iii) (iv)	51%
Rimfire Solutions Ltd.	40%
Finland	
Linnankatu 26 A 41, 20100, Turku, Finland	
Unica Oy	49%
Keskussairaalantie Opinkivi 2, 40600 Jyväskylä, Finland	
Semma Oy	45%
France	
Le Puy Du Fou, 85590 Les Epesses, France	
Puy Du Fou Restauration SAS	99.8%
Germany	
Steenbeker Weg 25, 24106, Kiel, Germany	
Lubinus – orgaMed Sterilgut GmbH	49%
India	
1st Floor, VK Kalyani Commercial Complex, Sankey Rd, Opp: BDA Head Office, Bengaluru, Karnataka, 560020, India	
Bottle Lab Technologies Private Limited	79.55%
Nextup Technologies Private Limited	79.55%
Innov8 Raj Vilas, Lower Ground Floor, Salcon Ras Vilas, D-1 Saket District Centre, Saket (South Delhi), South Delhi, New Delhi-110017, India	
I.C.S Foods Private Limited	70%
Japan	
Hamarikyu Kensetsu Plaza, 5-5-12, Tsukiji, Chuo-ku, Tokyo 104-0045, Japan	
Chiyoda Kyushoku Services Co., Ltd	90%
5-7-5, Chiyoda, Naka-ku, Nagoya-City, Aichi-Prefecture, 460-0012, Japan	
Seiyo General Food Co., Ltd	50%
Kazakhstan	
060011, Atyrauskaya Oblast, Atyrau city, Beibarys Sultan avenue 506, Kazakhstan	
Eurest Support Services Company B LLP (ii)	50%
Luxembourg	
39 Boulevard Joseph, II L-1840, Luxembourg	
Geria SA	25%
Malaysia	
Suite 1301, 13th Floor, City Plaza Jalan Tebrau, 80300 Johor Bahru Johor, Malaysia	
Knusford Compass Sdn. Bhd.	49%
Monaco	
30, Boulevard Princesse Charlotte Le Labor – RDC, 98000 MC, Monaco	
Eurest Monaco S.A.	99.99%
Netherlands	
Haaksbergweg 70, 1101 BZ, Amsterdam, Netherlands	
Compass Group International Finance C.V. (x)	100%
Norway	
Okesnoyveien 16, 1366, Lysaker, 1366, Norway	
Forpleiningstjenester AS	33.33%
Harbitzalléen 2A, 0275 Oslo, PÅ Box 4148, Sjølyst, 0217 Oslo, Norway	
Gress Gruppen AS	33.33%
Papua New Guinea	
c/o Warner Shand Lawyers Waigani, Level 1 RH Hypermarket, Allotment 1 Section 479 (off Kennedy Road), Gordons NCD, Papua New Guinea	
Eurest OKAS Catering Ltd (ii)	55%
Eurest Lotic (PNG) JV Ltd (ii)	50%
Qatar	
2 Floor, Al Mana Commercial Tower, C-Ring road, Doha, PO BOX 22481, Qatar	
Compass Catering Services WLL	20%
Saudi Arabia	
3927, Al Khobar, Street Prince Sultan, Al Jawhara Dist 9618, Saudi Arabia	
Compass Arabia Co. Ltd (LLC)	30%
Spain	
Calle Pinar de San José 98, Planta 1a, 28054, Madrid, Spain	
Eurest Servicios, S.L	99%
United Kingdom	
Parklands Court, 24 Parklands, Birmingham Great Park, Rubery, Birmingham, B45 9PZ, United Kingdom	
Quaglino's Limited (iii)	99%
County Ground, Edgbaston, Birmingham, B5 7QU, United Kingdom	
Edgbaston Experience Limited (iii)(iv)	25%
67 Shrivenham Hundred Business Park Majors Road, Watchfield, Swindon, Oxfordshire, SN6 8TY, United Kingdom	
Benchmark Designs Limited (iii)	50%
Lower Ground 04 Edinburgh House, 154-182 Kennington Lane, London, SE11 5DP, United Kingdom	
Peppermint Events Limited	50%
POP (Purveyors of Plenty) Collective Limited	50%
2nd Floor, Fourways House,57 Hilton Street, Manchester, M1 2EJ, United Kingdom	
FC Sportswear and Retail Services Limited	45%
Rugby House, Allianz Stadium, 200 Whitton Road, Twickenham, Middlesex, TW2 7BA, United Kingdom	
Twickenham Experience Limited	15.53%[1]

1. As a percentage of nominal value of total share capital in issue.

Notes to the consolidated financial statements for the year ended 30 September 2024 continued

36 Details of related undertakings of Compass Group PLC continued

The Oval, Kennington, London, SE11 5SS, United Kingdom	
Oval Events Holdings Limited (iv)(v)(vi)	37.5%
Oval Events Limited (iv)(v)(vi)	37.5%
1st Floor 4 Tabernacle Street, London, EC2A 4LU, United Kingdom	
Cucumber Holdings Limited (iii)	33.9%
Kerb Berlin Limited (iii)	33.9%
Kerb Events Limited (iii)(iv)	33.9%
Kerb Group Limited (iii)(v)(vi)	33.9%
Kerb Seven Dials Limited (iii)	33.9%
Kerb Ventures Limited (iii)	33.9%
United States	
251 Little Falls Drive, Wilmington, DE 19808, US	
HHP-MMS JV1, LLC	90%
HHP-Partner COL, LLC	90%
HHP-Partner, LLC	90%
Levy LA Concessions, LLC	62.5%
Learfield Levy Foodservice, LLC	50%
DIOSS LLC	49%
Pure Solutions, LLC	49%
Thompson Facilities Services LLC	49%
Thompson Hospitality Services, LLC	49%
Chicago Restaurant Partners, LLC	42%
Two Tree Management, LLC	30%
8585 Old Dairy Road, Suite 208, Juneau, AK 99801, US	
KIJIK/ESS, LLC	80%
Statewide/GanaAYoo JV	50%
980 N. Michigan Ave., Suite 400, Chicago, IL 60611, US	
Convention Hospitality Partners	75%
Atlanta Sports Catering	50%
Orlando Foodservice Partners	50%
84 State Street, Boston, MA 02109, US	
Levy Maryland, LLC	74%
2710 Gateway Oaks Drive, Suite 150N, Sacramento, CA 95833-3505, US	
Cosmopolitan Catering, LLC	60%
1090 Vermont Ave N.W., Washington, DC 20005, US	
Seasons Culinary Services, Inc	50.1%
PO Box 1409, Lakeville, CT 06039, US	
Tory Hill, LLC	49%
4605 Duke Drive, Suite 110, Mason, OH 45040, US	
Linkage Solutions, LLC	49%
3903 Volunteer Drive, Suite 200, Chattanooga, TN 37416, US	
Sifted, LLC	40%
1209 Orange Street, Wilmington, DE 19801, US	
AEG Venue Management Holdings, LLC	38%
Link-Age Venture Labs, LLC	30%
945 Market Street, San Francisco, CA 94103, US	
Saluhall SF Inc.	33.9%
1201 Hays Street, Tallahassee, FL 32301, US	
Food Fleet Inc.	25%

Parent Company balance sheet at 30 September 2024

Compass Group PLC	Notes	30 September 2024 £m	2023 £m
Fixed assets			
Investments in subsidiary undertakings	2	**6,763**	6,714
Current assets			
Debtors: amounts falling due within one year	3	**1,413**	2,034
Debtors: amounts falling due after more than one year	3	**5,881**	5,993
Cash at bank and in hand		**12**	434
Current assets		**7,306**	8,461
Creditors: amounts falling due within one year			
Creditors: amounts falling due within one year	4	**(7,245)**	(9,271)
Net current assets/(liabilities)		**61**	(810)
Total assets less current liabilities			
Total assets less current liabilities		**6,824**	5,904
Creditors: amounts falling due after more than one year			
Creditors: amounts falling due after more than one year	4	**(3,293)**	(2,500)
Provisions		**(3)**	(3)
Net assets		**3,528**	3,401
Equity			
Share capital	6	**198**	198
Share premium		**189**	189
Capital redemption reserve		**295**	295
Own shares reserve		**(1,857)**	(1,513)
Retained earnings[1]		**4,703**	4,232
Total equity		**3,528**	3,401

1. The Company's profit on ordinary activities after tax was £1,227m (2023: £1,077m), which includes dividend income of £1,306m (2023: £1,039m) from an intermediate holding company, Hospitality Holdings Limited.

The accompanying notes form part of these Parent Company financial statements.

Approved by the Board of Directors on 26 November 2024 and signed on its behalf by:

Dominic Blakemore, Director
Petros Parras, Director

Parent Company statement of changes in equity for the year ended 30 September 2024

Equity	Share capital £m	Share premium £m	Capital redemption reserve £m	Own shares reserve £m	Retained earnings[1] £m	Total £m
At 1 October 2022	198	189	295	(515)	3,785	3,952
Own shares held by the Compass Group PLC All Share Schemes Trust	–	–	–	(4)	–	(4)
Profit for the year	–	–	–	–	1,077	1,077
Fair value of share-based payments	–	–	–	–	44	44
Cost of shares transferred to employees	–	–	–	26	(26)	–
Purchase of own shares – share buyback	–	–	–	(1,004)	–	(1,004)
Purchase of own shares – employee share-based payments	–	–	–	(16)	–	(16)
Dividends paid to shareholders[2]	–	–	–	–	(648)	(648)
At 30 September 2023	198	189	295	(1,513)	4,232	3,401
Profit for the year	–	–	–	–	**1,227**	**1,227**
Fair value of share-based payments	–	–	–	–	**54**	**54**
Cost of shares transferred to employees	–	–	–	**52**	**(52)**	–
Purchase of own shares – share buyback	–	–	–	**(396)**	–	**(396)**
Dividends paid to shareholders[2]	–	–	–	–	**(758)**	**(758)**
At 30 September 2024	**198**	**189**	**295**	**(1,857)**	**4,703**	**3,528**

1. The non-distributable portion of retained earnings is £389m at 30 September 2024 (2023: £340m).
2. Details of the £758m ($963m) of dividends paid to equity shareholders in 2024 (2023: £648m ($796m)) are shown in note 8 to the consolidated financial statements.

The accompanying notes form part of these Parent Company financial statements.

Capital redemption reserve

The nominal value of shares in the Company purchased and subsequently cancelled is shown as a reduction in share capital and an equal and opposite transfer to the capital redemption reserve.

Own shares reserve

The own shares reserve represents shares in Compass Group PLC held either in treasury, including transaction costs, or by employee share trusts to satisfy liabilities to employees for long-term incentive plans. Own shares are treated as a deduction to equity until the shares are cancelled, reissued or sold, at which point they are transferred to retained earnings.

The own shares reserve comprises £1,851m (2023: £1,501m) in respect of 87,992,005 (2023: 70,170,859) shares in Compass Group PLC held in treasury and £6m (2023: £12m) in respect of 298,712 (2023: 573,223) shares in Compass Group PLC held by the Compass Group PLC All Share Schemes Trust (ASST).

The share buyback announced in May 2023 was completed in November 2023, with 6,357,210 shares repurchased during the year for a total price, including transaction costs, of £131m.

In November 2023, the Company announced that it was commencing a further share buyback to repurchase up to $500m of its own shares. During the year, 14,049,546 shares were repurchased for a total price, including transaction costs, of £312m ($399m), of which £307m was paid in cash during the year. The mandate issued to the broker to purchase the shares was irrevocable at 30 September 2024 and, therefore, a creditor of £84m in respect of the value of the shares not yet purchased has been recognised. In the period from 1 October to 26 November 2024, 2,356,198 shares were repurchased for a total price, including transaction costs, of £60m. The share buyback is scheduled to complete by 17 December 2024.

The ASST is a discretionary trust for the benefit of employees and the shares held are used to satisfy some of the Group's liabilities to employees for long-term incentive plans. During the year, no shares (2023: 800,000) in Compass Group PLC were purchased by the ASST and 274,511 (2023: 448,686) shares were released from the ASST to satisfy awards under the Company's long-term incentive plans. At 30 September 2024, the nominal value of the shares in the ASST was £33,008 (2023: £63,341), with a market value of £7m (2023: £11m).

No treasury shares have been reissued since the end of the financial year to the date of this Report. On 1 October 2024, 2,393 shares were released by the ASST to satisfy an award under the Compass Group PLC Restricted Share Award Plan which had vested on 30 September 2024.

1 Basis of preparation

Introduction

The separate financial statements of Compass Group PLC (the Company) have been prepared on a going concern basis, as discussed on page 145, in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The separate financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial instruments.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK-adopted International Accounting Standards, but makes amendments where necessary to comply with the Companies Act 2006, and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The financial statements present information about the Company as an individual undertaking, not as a Group undertaking, and are included in the Compass Group PLC consolidated financial statements for the year ended 30 September 2024. As permitted by section 408 of the Companies Act 2006, the Company has not presented its own income statement. The amount of profit for the year of the Company is disclosed in the Parent Company balance sheet and statement of changes in equity.

FRS 101 exemptions

In these financial statements, the Company has applied the exemptions under FRS 101 in respect of the following disclosures:

- cash flow statement and related notes
- financial instruments and fair values
- share-based payments
- transactions with wholly-owned subsidiaries
- compensation of key management personnel
- capital management
- the effect of new but not yet effective accounting standards

Significant accounting policies

The significant accounting policies applied in the preparation of these separate financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

Changes in accounting policies

There have been no significant changes in accounting policies during the year.

Investments in subsidiary undertakings

Investments are stated at cost less provision for any impairment. In the opinion of the directors, the value of such investments is not less than shown at the balance sheet date.

Investment income is measured at the fair value of the consideration received or receivable. It represents dividend income, which is recognised when the right to receive payment is established.

Foreign currency

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the year-end. Gains and losses arising on retranslation are included in the income statement for the period.

Financial assets and liabilities

Financial assets and liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument and derecognised when it ceases to be party to such provisions. Financial assets are classified as current if they are expected to be received within 12 months of the balance sheet date. Financial liabilities are classified as current if they are legally due to be paid within 12 months of the balance sheet date.

Financial assets and liabilities are initially recorded at fair value including, where permitted by IFRS 9 Financial Instruments, any directly attributable transaction costs. For those financial assets that are not subsequently held at fair value, the carrying amounts are reduced by a provision equal to the lifetime expected credit losses using historical and forward-looking data on credit risk.

The Company classifies its financial assets and liabilities into the following categories:

- financial assets and liabilities at amortised cost
- financial assets and liabilities at fair value through profit or loss

Where financial assets or liabilities are eligible to be carried at either amortised cost or fair value, the Company does not apply the fair value option.

The Company uses derivative financial instruments to manage its exposure to fluctuations in foreign exchange rates and interest rates. Derivative instruments utilised include interest rate swaps, currency swaps and forward currency contracts. The Company and Group policy is disclosed in note 20 to the consolidated financial statements.

Notes to the Parent Company financial statements for the year ended 30 September 2024 continued

1 Basis of preparation continued

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost unless they are part of a fair value hedge accounting relationship. Borrowings that are part of a fair value hedge accounting relationship are measured at amortised cost adjusted for the fair value attributable to the risk being hedged.

Amounts owed by subsidiary undertakings are initially measured at fair value and are subsequently reported at amortised cost. Provisions on intra-group receivables are calculated at an amount equal to the lifetime expected credit losses using historical and forward-looking data on credit risk.

Amounts owed to subsidiary undertakings are initially measured at fair value and are subsequently reported at amortised cost.

Non-interest-bearing payables are stated at their nominal value as they are due on demand.

Dividends

Interim dividends are recognised in the financial statements when they are paid. Final dividends, which are subject to approval by the shareholders in a general meeting after the balance sheet date, are not included as a liability in the financial statements. Instead, they are disclosed as a post-balance sheet event and recognised in the financial statements when they are approved (see note 7).

Deferred tax

Deferred tax is provided at the anticipated rates on temporary differences arising from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

Share-based payments

The Company issues equity-settled share-based payments to certain employees, which are measured at fair value at the date of grant using option pricing models. The fair value is expensed on a straight-line basis over the vesting period based on the Company's estimate of the number of shares expected to vest.

The issue of share incentives by the Company to employees of its subsidiaries represents additional capital contributions. An addition to the Company's investment in subsidiary undertakings is reported with a corresponding increase in shareholders' funds.

Financial guarantees and loan commitments

Financial guarantee contract liabilities are measured initially at their fair values. These liabilities are subsequently measured at the higher of the expected credit loss determined under IFRS 9 Financial Instruments and the initial fair value.

2 Investments in subsidiary undertakings

Investments in subsidiary undertakings	2024 £m	2023 £m
Cost		
At 1 October	**6,715**	1,106
Additions	**–**	5,570
Share-based payments to employees of subsidiaries	**54**	44
Recharged to subsidiaries during the year	**(5)**	(5)
At 30 September	**6,764**	6,715
Provisions		
At 1 October and 30 September	**(1)**	(1)
Net book value		
At 30 September	**6,763**	6,714

In 2023, the Company subscribed for shares in a direct subsidiary company, Hospitality Holdings Limited, for consideration totalling £5.6bn as part of a restructuring of certain intra-group loans which resulted in an increase in investments in subsidiary undertakings of £5.6bn and a corresponding change in balances with subsidiary undertakings.

On the basis that the Company's investments in subsidiary undertakings mainly comprise an investment in Hospitality Holdings Limited, which indirectly owns all of the Company's trading businesses, there are no indicators that the carrying value may be impaired.

The principal subsidiary undertakings are listed in note 36 to the consolidated financial statements.

3 Debtors

		2024			2023		
Debtors	Notes	Falling due within one year £m	Falling due after more than one year £m	Total £m	Falling due within one year £m	Falling due after more than one year £m	Total £m
Amounts owed by subsidiary undertakings		**1,375**	**5,827**	**7,202**	2,016	5,948	7,964
Derivative financial instruments	5	**26**	**52**	**78**	18	45	63
Current tax		**12**	**–**	**12**	–	–	–
Deferred tax[1]		**–**	**2**	**2**	–	–	–
Total		**1,413**	**5,881**	**7,294**	2,034	5,993	8,027

1. The deferred tax asset relates to net losses on certain derivative financial instruments recognised in the income statement.

Amounts owed by subsidiary undertakings may be interest-free or interest-bearing loans. Interest-free loans are repayable on demand. Interest-bearing loans incur interest at fixed rates (between 5.0% and 7.0%) or various floating rates with margins ranging from 0% to 1.50% (subject to a minimum all-in rate of 0%) and have maturities ranging from repayable on demand up to May 2031.

The book value of amounts owed by subsidiary undertakings falling due within one year approximates to fair value due to the short-term nature of these receivables. The fair value of amounts owed by subsidiary undertakings falling due after more than one year is £5,721m (2023: £5,556m).

Details of the derivative financial instruments are shown in note 20 to the consolidated financial statements.

4 Creditors

		2024			2023		
Creditors	Notes	Falling due within one year £m	Falling due after more than one year £m	Total £m	Falling due within one year £m	Falling due after more than one year £m	Total £m
Issued debt	5	**538**	**2,022**	**2,560**	288	1,510	1,798
Commercial paper	5	**19**	**–**	**19**	–	–	–
Bank overdrafts	5	**634**	**–**	**634**	410	–	410
Amounts owed to subsidiary undertakings	5	**5,920**	**1,131**	**7,051**	8,341	773	9,114
Derivative financial instruments	5	**15**	**140**	**155**	37	207	244
Other payables[1]	5	**89**	**–**	**89**	152	–	152
Accruals		**30**	**–**	**30**	25	–	25
Current tax		**–**	**–**	**–**	18	–	18
Deferred tax[2]		**–**	**–**	**–**	–	10	10
Total		**7,245**	**3,293**	**10,538**	9,271	2,500	11,771

1. Represents a commitment in respect of the share buyback.
2. The deferred tax liability relates to net gains on certain derivative financial instruments recognised in the income statement.

Notes to the Parent Company financial statements for the year ended 30 September 2024 continued

4 Creditors continued

Issued debt	Nominal value	Redeemable	Interest	2024 Carrying value £m	2023 Carrying value £m
US Private Placement	$352m	Oct 2023	4.12%	–	288
US Private Placement	$100m	Dec 2024	3.54%	**75**	82
Eurobond	£250m	Sep 2025	2.00%	**243**	231
US Private Placement	$300m	Sep 2025	3.81%	**220**	235
Eurobond	£250m	Jun 2026	3.85%	**250**	249
US Private Placement	$300m	Dec 2026	3.64%	**224**	246
Eurobond	£300m	Jul 2029	2.00%	**263**	245
Eurobond	€750m	Feb 2031	3.25%	**633**	–
Eurobond	£250m	Sep 2032	4.38%	**237**	222
Eurobond	€500m	Sep 2033	3.25%	**415**	–
Total				**2,560**	1,798

The Company has a £2,000m Revolving Credit Facility (RCF) committed to August 2026. At 30 September 2024, no amounts were drawn under the RCF (2023: £nil).

The Company has a $4bn commercial paper programme. Commercial paper is issued to meet short-term liquidity requirements and is supported by the RCF. At 30 September 2024, commercial paper of £19m was outstanding under the programme (2023: £nil).

Amounts owed to subsidiary undertakings may be interest-free or interest-bearing loans. Interest-free loans are repayable on demand and classified as current. Interest-bearing loans incur interest at fixed rates (between 1.60% and 3.10%) or various floating rates with margins ranging from -0.15% to +0.70% (subject to a minimum all-in rate of 0%) and have maturities ranging from repayable on demand up to September 2048.

The book value of amounts owed to subsidiary undertakings falling due within one year approximates to fair value due to the short-term nature of these payables. The fair value of amounts owed to subsidiary undertakings falling due after more than one year is shown below:

Amounts owed to subsidiary undertakings falling due after more than one year	Nominal value	Redeemable	Interest	2024 Carrying value £m	2024 Fair value £m	2023 Carrying value £m	2023 Fair value £m
Euro intra-group loan	€405m	Jul 2027	2.05%	**337**	**332**	–	–
Euro intra-group loan	€500m	Sep 2028	1.60%	**385**	**398**	375	387
Euro intra-group loan	€500m	Mar 2030	3.10%	**409**	**419**	398	409
Total				**1,131**	**1,149**	773	796

Details of the derivative financial instruments are shown in note 20 to the consolidated financial statements.

5 Maturity of financial liabilities and derivative financial instruments

The maturity of financial liabilities and derivative financial instruments at 30 September is as follows:

Maturity of financial liabilities and derivative financial instruments	2024 Less than 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	Over 5 years £m	Total £m
Issued debt	538	250	487	1,285	2,560
Commercial paper	19	–	–	–	19
Bank overdrafts	634	–	–	–	634
Amounts owed to subsidiary undertakings	5,920	–	722	409	7,051
Derivative financial instruments	(10)	(8)	110	(15)	77
Other payables	89	–	–	–	89

Maturity of financial liabilities and derivative financial instruments	2023 Less than 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	Over 5 years £m	Total £m
Issued debt	288	548	495	467	1,798
Bank overdrafts	410	–	–	–	410
Amounts owed to subsidiary undertakings	8,341	–	375	398	9,114
Derivative financial instruments	19	(5)	73	94	181
Other payables	152	–	–	–	152

6 Share capital

Details of the share capital and share-based payments of the Company are shown in notes 25 and 26 to the consolidated financial statements.

7 Post-balance sheet events

In the period from 1 October to 26 November 2024, 2,356,198 shares were repurchased for a total price, including transaction costs, of £60m under the share buyback announced in November 2023. The share buyback is scheduled to complete by 17 December 2024.

On 26 November 2024, a final dividend in respect of 2024 of 39.1c per share, $664m in aggregate, was proposed.

8 Other information

Company audit fee

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £1.9m (2023: £1.9m).

Directors

Information on directors' remuneration, long-term incentive plans, pension contributions and entitlements can be found in the audited section of the Directors' Remuneration Report on pages 86 to 118 and forms part of these accounts.

Employees

The Company had no direct employees in the course of the year (2023: none).

Related party transactions

With the exception of transactions between the Company and its wholly-owned subsidiaries, there are no material related party transactions in the current or prior year.