

Company registration number 03034174 (England and Wales)

PABULUM LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023

PABULUM LIMITED

COMPANY INFORMATION

Directors Mr N Williams
 Mr N Thomas (Appointed 1 August 2023)
 Mr W Toner (Appointed 1 August 2023)

Secretary Compass Secretaries Limited

Company number 03034174

Registered office Linea House
 Harvest Crescent
 Fleet
 Hampshire
 United Kingdom
 GU51 2UZ

Auditor Azets Audit Services
 Secure House
 Lulworth Close
 Chandlers Ford
 Southampton
 Hampshire
 SO53 3TL

PABULUM LIMITED

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PABULUM LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2023

The directors present the strategic report for period ended 31 December 2023.

Pabulum, who were part of The Quarr Group (as previously reported in the last set of audited accounts) was sold to CH&CO in August 2023. As a result of the sale, there has been a change to its financial year, which was previously April to May. These accounts represent the period May 2023 to December 2023. Pabulum is now being aligned to the CH&CO financial year, January 2024 to December 2024.

Business Review

Pabulum has kept to its operating model, working primarily in the state education sector for both primary and secondary schools, within a 125-mile radius of our office in Fleet, Hampshire.

In all our schools it remains our primary focus to provide a hot meal, ensuring 80% of our fresh produce is British and staying with our local suppliers. All our food continues to be underpinned by Food for Life, Red Tractor Assured, MSC Standards and the Compassionate Egg Award.

Our key challenges in this period were namely:

CH&CO Integration

Through the change of ownership there has been a critical period to integrate the two businesses, without in any way changing the values and propositions of Pabulum.

Pabulum customers and clients continue to enjoy the high level of service and professionalism they have come to expect over the years.

Food Inflation

The continuous hard work with our excellent suppliers to control costs, wherever we can, has enabled us to keep food inflation well within our control, without passing on any further meal price/tariff increases.

Financial Key Performance Indicators

	May-23 to Dec-23	May-22 to Apr-23
Turnover	£16.88m	£24.52m
Gross Profit	£2.48m (14.9%)	£3.40m (13.9%)
Overheads	£1.75m	£2.75m
EBIT	£727k	£646k
Net Assets	£1.72m	£2.29m
Cash	£1.00m	£0.42m

We saw strong growth in turnover of 9.4% with £1.8m of new business in the year. These strong turnover numbers are more impressive when we had the impact of six strike days, a couple of snow days and an additional bank holiday for the Queen's funeral.

Gross profit in the year was eroded by the double digit food inflation and 6.2% increase in national minimum wage.

Overheads were very well controlled with a year-on-year saving of 12.5%. As a result, despite the challenging economic conditions, there has been a small growth in profit year-on-year.

PABULUM LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

Outlook

This has not changed since the previous strategic report.

We believe food inflation and our supply chain will remain a challenge, but we are confident it will settle during the year, and we won't see as many changes to the menu as we have previously. Whilst the cost-of-living crisis will remain with us throughout the year, our offer, with a central focus on value, will ensure we maintain the uptake levels and spends we currently see.

The introduction, in September 2023, of the London Mayor's initiative of expanding funding for free school meals so that every child in a state London primary school has the offer of a free lunch, affects 28 of our schools.

Maintaining a close dialogue with our clients and suppliers will be essential to ensure we remain on track with our growth plan, as we expect to see turnover grow by 5% this year, the first significant growth since Covid.

Agility, communication and the strengths of our Pabulum Management Team, Operations Team, and our excellent kitchen teams, gives us the confidence that we can react to the differing challenges that still lie ahead of us. Our focus will remain on ensuring we are delivering a healthy and nutritious meal to our customers. We have worked tirelessly on this over the past 2 years, and it is this firm belief and absolute commitment that will generate organic growth and future opportunities.

On behalf of the board

Mr N Williams
Director
24 May 2024

PABULUM LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2023

The directors present their annual report and financial statements for the period ended 31 December 2023.

Principal activities

The principal activity of the company continued to be that of the provision of a range of catering services to a range of public and private sector clients throughout England.

Results and dividends

The results for the period are set out on page 8.

Ordinary dividends were paid amounting to £1,121,526. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr N Williams	
Mr N Thomas	(Appointed 1 August 2023)
Mr W Toner	(Appointed 1 August 2023)
Mrs S Frayn	(Resigned 9 June 2023)
Mr M Richardson	(Resigned 9 June 2023)
Mr S Ingram	(Appointed 12 June 2023 and resigned 1 August 2023)
Mr B Warren	(Appointed 12 June 2023 and resigned 1 August 2023)

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr N Williams
Director

24 May 2024

PABULUM LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 31 DECEMBER 2023

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PABULUM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PABULUM LIMITED

Opinion

We have audited the financial statements of Pabulum Limited (the 'company') for the period ended 31 December 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

PABULUM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PABULUM LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

PABULUM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PABULUM LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Wesley FCA
Senior Statutory Auditor
For and on behalf of Azets Audit Services

5 June 2024

Chartered Accountants
Statutory Auditor

Secure House
Lulworth Close
Chandlers Ford
Southampton
Hampshire
SO53 3TL

PABULUM LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2023

		Period ended 31 December 2023 £	Year ended 30 April 2023 £
Turnover	3	16,876,494	24,515,104
Cost of sales		(14,396,095)	(21,116,406)
Gross profit		2,480,399	3,398,698
Administrative expenses		(2,132,763)	(3,303,042)
Other operating income		379,528	550,520
Operating profit	4	727,164	646,176
Interest receivable and similar income	8	635	2,412
Profit before taxation		727,799	648,588
Tax on profit	9	(178,802)	(98,528)
Profit for the financial period		548,997	550,060

The profit and loss account has been prepared on the basis that all operations are continuing operations.

PABULUM LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

		31 December 2023		30 April 2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		91,071		152,925
Investments	12		3		3
			<u>91,074</u>		<u>152,928</u>
Current assets					
Stocks	14	426,402		559,593	
Debtors	15	5,821,419		6,670,471	
Cash at bank and in hand		996,111		415,199	
		<u>7,243,932</u>		<u>7,645,263</u>	
Creditors: amounts falling due within one year	16	<u>(5,528,893)</u>		<u>(5,419,549)</u>	
Net current assets			<u>1,715,039</u>		<u>2,225,714</u>
Total assets less current liabilities			<u>1,806,113</u>		<u>2,378,642</u>
Provisions for liabilities					
Provisions	17	<u>90,000</u>	(90,000)	<u>90,000</u>	(90,000)
Net assets			<u>1,716,113</u>		<u>2,288,642</u>
Capital and reserves					
Called up share capital	20		833,993		833,993
Profit and loss reserves			882,120		1,454,649
Total equity			<u>1,716,113</u>		<u>2,288,642</u>

The financial statements were approved by the board of directors and authorised for issue on 24 May 2024 and are signed on its behalf by:

Mr N Williams
Director

Company Registration No. 03034174

PABULUM LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2023

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
Balance at 1 May 2022	833,993	904,589	1,738,582
Year ended 30 April 2023:			
Profit and total comprehensive income for the year	-	550,060	550,060
Balance at 30 April 2023	833,993	1,454,649	2,288,642
Period ended 31 December 2023:			
Profit and total comprehensive income for the period	-	548,997	548,997
Dividends	10	(1,121,526)	(1,121,526)
Balance at 31 December 2023	833,993	882,120	1,716,113

PABULUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Pabulum Limited is a private company limited by shares incorporated in England and Wales. The registered office is Linea House, Harvest Crescent, Fleet, Hampshire, United Kingdom, GU51 2UZ.

1.1 Reporting period

The financial statements are presented for the eight-month period to 31 December 2023. The reason for using a shorter period is to align the company's year end with that of its parent company, CH & CO Catering Group Limited, following its acquisition on 1 August 2023. As a result, comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

1.2 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

The financial statements of the company are consolidated in the financial statements of Orchestra Topco Limited. These consolidated financial statements are available from its registered office, 550 Second Floor, Thames Valley Park Drive, Reading, England, RG6 1PT.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. Turnover is recognised once the catering service has been provided to the customer.

PABULUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	10%-20% Straight Line
Fixtures and fittings	20%-33% Straight Line
Computer equipment	20%-50% Straight Line
Motor vehicles	20%-25% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less cost to complete and sell, after making due allowances for obsolete and slow moving items.

PABULUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors, and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

PABULUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

1 Accounting policies **(Continued)**

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end 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 tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

PABULUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Defined contribution pension plan

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

The contribution are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

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

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

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Profit share/rebate

Determining whether the rebates and profit shares are accrued across the year based on the level of turnover to specific customers.

Stock provision

Determining whether the value of any stock items needs to be provided against.

PABULUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

3 Turnover and other revenue

All turnover arose within the United Kingdom and relates to the principal activities of the company.

	December 2023	April 2023
	£	£
Other revenue		
Interest income	635	2,412
Management charges received	379,528	550,520
	<u> </u>	<u> </u>

4 Operating profit

Operating profit for the period is stated after charging:

	December 2023	April 2023
	£	£
Depreciation of owned tangible fixed assets	61,854	132,278
Operating lease charges	104,761	176,786
	<u> </u>	<u> </u>

5 Auditor's remuneration

Fees payable to the company's auditor and associates:

	December 2023	April 2023
	£	£
For audit services		
Audit of the financial statements of the company	28,500	26,750
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	December 2023	April 2023
	Number	Number
Catering	694	755
Administration	47	55
	<u> </u>	<u> </u>
Total	741	810
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	December 2023	April 2023
	£	£
Wages and salaries	7,950,161	11,683,242
Social security costs	500,865	725,819
Pension costs	244,404	387,144
	<u> </u>	<u> </u>
	8,695,430	12,796,205
	<u> </u>	<u> </u>

PABULUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

7 Directors' remuneration

	December 2023	April 2023
	£	£
Remuneration for qualifying services	186,011	445,089
Company pension contributions to defined contribution schemes	12,410	36,430
	<u>198,421</u>	<u>481,519</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (April 2023 - 4).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	December 2023	April 2023
	£	£
Remuneration for qualifying services	121,894	156,158
Company pension contributions to defined contribution schemes	10,736	13,680
	<u>132,630</u>	<u>169,838</u>

8 Interest receivable and similar income

	December 2023	April 2023
	£	£
Interest income		
Other interest income	635	2,412
	<u>635</u>	<u>2,412</u>

9 Taxation

	December 2023	April 2023
	£	£
Current tax		
UK corporation tax on profits for the current period	183,769	145,377
	<u>183,769</u>	<u>145,377</u>
Deferred tax		
Origination and reversal of timing differences	(4,967)	(46,849)
	<u>(4,967)</u>	<u>(46,849)</u>
Total tax charge	<u>178,802</u>	<u>98,528</u>

PABULUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

9 Taxation (Continued)

The actual charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	December 2023	April 2023
	£	£
Profit before taxation	727,799	648,588
Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (April 2023: 19.49%)	181,950	126,410
Tax effect of expenses that are not deductible in determining taxable profit	4,967	-
Group relief	(3,148)	(16,923)
Permanent capital allowances in excess of depreciation	(4,967)	(2,519)
Differences arising from changes in effective tax rates	-	(8,440)
Taxation charge for the period	178,802	98,528

10 Dividends

	December 2023	April 2023
	£	£
Interim paid	1,121,526	-

11 Tangible fixed assets

	Leasehold land and buildings	Fixtures and fittings	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 May 2023 and 31 December 2023	90,000	16,511	399,695	20,023	526,229
Depreciation and impairment					
At 1 May 2023	49,499	15,971	287,811	20,023	373,304
Depreciation charged in the period	6,000	540	55,314	-	61,854
At 31 December 2023	55,499	16,511	343,125	20,023	435,158
Carrying amount					
At 31 December 2023	34,501	-	56,570	-	91,071
At 30 April 2023	40,501	540	111,884	-	152,925

Following the year end, a charge was registered against land and material intellectual property owned by the company.

PABULUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

12 Fixed asset investments

	Notes	December 2023 £	April 2023 £
Investments in subsidiaries	13	3	3

13 Subsidiaries

Details of the company's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Citrea Limited	Linea House, Harvest Crescent, Fleet, Hampshire, GU51 2UZ	Ordinary Shares	100.00
Pabulum Catering Limited	Linea House, Harvest Crescent, Fleet, Hampshire, GU51 2UZ	Ordinary Shares	100.00
Citrea Catering Limited	Linea House, Harvest Crescent, Fleet, Hampshire, GU51 2UZ	Ordinary Shares	100.00

14 Stocks

	December 2023 £	April 2023 £
Food and consumables	426,402	559,593

15 Debtors

	December 2023 £	April 2023 £
Amounts falling due within one year:		
Trade debtors	2,225,481	2,344,914
Amounts owed by group undertakings	2,049,539	120,906
Other debtors	27,273	195,505
Prepayments and accrued income	1,089,471	645,525
	5,391,764	3,306,850
Deferred tax asset (note 18)	51,816	46,849
	5,443,580	3,353,699

PABULUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

		(Continued)	
		December 2023	April 2023
		£	£
15	Debtors		
	Amounts falling due after more than one year:		
	Amounts owed by group undertakings	-	2,871,526
	Prepayments and accrued income	377,839	445,246
		<u>377,839</u>	<u>3,316,772</u>
	Total debtors	<u>5,821,419</u>	<u>6,670,471</u>
16	Creditors: amounts falling due within one year		
		December 2023	April 2023
		£	£
	Trade creditors	2,587,194	2,052,001
	Corporation tax	177,324	115,907
	Other taxation and social security	612,547	786,848
	Other creditors	858,195	985,244
	Accruals and deferred income	1,293,633	1,479,549
		<u>5,528,893</u>	<u>5,419,549</u>
17	Provisions for liabilities		
		December 2023	April 2023
		£	£
	Dilapidation provision	90,000	90,000
		<u>90,000</u>	<u>90,000</u>
	Movements on provisions:		Dilapidation provision
			£
	At 1 May 2023 and 31 December 2023		90,000
			<u>90,000</u>

PABULUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets December 2023	Assets April 2023
Balances:	£	£
Accelerated capital allowances	17,861	5,320
Retirement benefit obligations	33,955	41,529
	<u>51,816</u>	<u>46,849</u>

	December 2023
Movements in the period:	£
Asset at 1 May 2023	(46,849)
Credit to profit or loss	(4,967)
Asset at 31 December 2023	<u>(51,816)</u>

19 Retirement benefit schemes

	December 2023	April 2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	244,404	387,144
	<u>244,404</u>	<u>387,144</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

At the balance sheet date contributions of £196,528 (30 April 2023 £219,039) remained payable.

20 Share capital

	December 2023	April 2023	December 2023	April 2023
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	833,993	833,993	833,993	833,993
	<u>833,993</u>	<u>833,993</u>	<u>833,993</u>	<u>833,993</u>

PABULUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2023

21 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	December 2023 £	April 2023 £
Within one year	93,414	98,597
Between two and five years	222,555	284,364
	<u>315,969</u>	<u>382,961</u>

Lease payments recognised as an expense during the period totalled £104,761 (2022: £70,981).

22 Events after the reporting date

Following the period end, Compass Group UK & Ireland Limited acquired 100% of the share capital of CH & CO Catering Group Limited, becoming the ultimate parent of the company.

23 Related party transactions

The company has taken the exemption conferred by FRS102 Related Party Disclosures not to disclose transactions with wholly owned group entities.

There were no other related party transactions outside of transactions between other wholly owned group entities.

24 Ultimate controlling party

On 1 August 2023, 100% of the company's share capital was purchased by CH & CO Catering Group Limited, with the ultimate parent entity being Equistone LLP. At the period end, CH & CO Catering Group Limited owned 100% of the company's share capital. The registered office address of Equistone LLP is One New Ludgate, 60 Ludgate Hill, London, England, EC4M 7AW.

The smallest and largest group in which the results of the company are consolidated is that headed Orchestra Topco Limited. The consolidated accounts of this company are available to the public and may be obtained from 550 Second Floor, Thames Valley Park Drive, Reading, England, RG6 1PT.

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