

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

## 7 SEGMENTAL INFORMATION CONTINUED

The tables below show the order book for each division, categorised into long-term contractual (contracts with length greater than 2 years) and short-term contractual (contracts with length less than 2 years). The length of the contract is calculated from the start of the service commencement date. The figures represent the aggregate amount of currently contracted transaction price allocated to the performance obligations that are unsatisfied or partially unsatisfied. Revenue expected to be recognised upon satisfaction of these performance obligations as of 31 December 2017 is as follows:

Order book	Private Sector Partnerships £m	Public Services Partnerships £m	Professional Services £m	Digital and Software Solutions £m	IT Services £m	Group trading and central functions £m	Total £m
Long-term contractual	4,002.0	2,670.2	328.2	550.4	494.3	6.4	8,051.5
Short-term contractual	–	94.7	22.1	–	20.0	2.7	139.5
<b>Total</b>	<b>4,002.0</b>	<b>2,764.9</b>	<b>350.3</b>	<b>550.4</b>	<b>514.3</b>	<b>9.1</b>	<b>8,191.0</b>

The table below shows the time bands of the expected timing of revenue to be recognised on long-term contractual as of 31 December 2017:

Time bands of long-term contractual in order book	Private Sector Partnerships £m	Public Services Partnerships £m	Professional Services £m	Digital and Software Solutions £m	IT Services £m	Group trading and central functions £m	Total £m
< 1 year	952.8	523.1	83.5	269.7	166.1	5.1	2,000.3
1-5 years	2,480.3	1,491.0	244.7	268.6	240.8	1.3	4,726.7
> 5 years	568.9	656.1	–	12.1	87.4	–	1,324.5
<b>Total</b>	<b>4,002.0</b>	<b>2,670.2</b>	<b>328.2</b>	<b>550.4</b>	<b>494.3</b>	<b>6.4</b>	<b>8,051.5</b>

The order book represents the consideration to which the Group will be entitled to receive from the customers when the Group satisfies the remaining performance obligations in the contracts. However, the total revenue that will be earned by the Group will also include volumetric revenue, new wins, scope changes and anticipated contract extensions. These elements have been excluded from the figures in the tables above as they are not contracted. In addition, revenue from contract extensions is also excluded in the order book unless they are pre-priced extensions whereby the Group has a legal binding obligation to deliver the performance obligations during the extension period. The total revenue related to pre-priced extensions that has been included in the tables above amounted to £502.0m. The amounts presented do not include orders for which neither party has performed and each party has the unilateral right to terminate a wholly unperformed contract without compensating the other party.

Of the £8.1bn revenue to be earned on long-term contractual, £4.9bn relates to material contracts to the Group. This amount excludes revenue that will be derived from frameworks (transactional (point in time) contracts) and non-contracted volumetric revenue from these material contracts, which together are expected to contribute an additional £1.8bn of revenue to the Group over the life of these contracts.