

BOOKER WHOLESALE HOLDINGS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL
STATEMENTS
FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023
Registered Number: 05137980



BOOKER WHOLESALE HOLDINGS LIMITED

STRATEGIC REPORT FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023

The Directors present their Strategic Report of Booker Wholesale Holdings Limited (the “Company”) for the 52 weeks ended 26 February 2023 (prior period: 52 weeks ended 27 February 2022) (“2022”).

Business review and principal activity

The principal activity of the Company is that of an intermediate holding company which owns investments in a number of large trading entities operating in the UK Wholesale market.

There has been no significant change in the nature or level of this activity during the period and the Directors do not expect this to change significantly throughout the next financial period.

During the period, a group simplification exercise was completed which included an impairment of investment and certain inter-company balances being settled.

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 “Reduced Disclosure Framework”.

Results and dividends

The results for the 52 weeks ended 26 February 2023 show a profit before tax of £376.3m (2022: profit before tax £83.3m) and profit after tax of £376.3m (2022: profit after tax of £83.3m), following the receipt of a dividend from subsidiary undertakings of £227.2m (2022: £100.0m).

The Company has net assets at the end of the period of £248.3m (2022: net assets £94.9m) and has net current liability of £691.6m (2022: net current liability £1,044.2m).

Following the receipt of dividends from Booker Group companies of £600.0m (2022: £100.0m), the Directors declared and paid a dividend for the 52 weeks ended 26 February 2023 of £227.2m (2022: £100.0m). The Directors do not propose a final dividend for 2023 (2022: £nil).

Key Performance Indicators (KPI’s)

Given the straightforward nature of the business, the Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

The development, performance and position of the operations of the Tesco PLC Group (the “Group”), which includes the Company and its subsidiaries, is discussed on page 14 of the Tesco PLC Annual Report and Financial Statements 2023, which does not form a part of this Report.

Future developments

The Company’s performance is expected to continue throughout the next financial period and it is anticipated that the current performance levels will be maintained.

The Company’s future developments form a part of the Group’s long-term strategies, which are discussed on pages 2 to 47 of the Tesco PLC Annual Report and Financial Statements 2023, which do not form part of this Report.

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include the Company, are discussed on pages 38 to 45 of the Tesco PLC Annual Report and Financial Statements 2023, which do not form part of this Report.

Business risk

At present, there continues to be a heightened level of macroeconomic uncertainty relating to cost and wage inflation, as well as energy supply issues, leading to rising prices which are continuing to impact our customers’ disposable income, thereby changing the way they shop. These also result in an increase in operational costs for us as well as our suppliers, which is further exacerbated by the war in Ukraine. The inflationary and economic risk factors continue to influence our business and are therefore key components of our customer and financial performance principal risks. The Group understands the short-term risks and impacts, and have the right teams, governance mechanisms, customer offerings and strategies in place. However, the long-term impacts remain uncertain, and the Group will continue to monitor the situation closely and respond accordingly.

BOOKER WHOLESALE HOLDINGS LIMITED

STRATEGIC REPORT FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023 (continued)

Financial risk management

The Company is aligned to Group and the Financial risk management for the Group, of which the Company forms a part, is discussed in Note 27 of the Tesco PLC Annual Report and Financial Statements 2023, which does not form a part of this Report.

The main risks associated with the Company's financial assets and liabilities are set out below:

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The Company creditors are unsecured and interest bearing. Since the creditors comprises amounts owed to Booker Group undertakings and liquidity is managed centrally across the Booker Group as explained in the Going Concern note, the liquidity risk is determined to be low.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company debtors are amounts owed by Booker Group undertakings. Booker Group manages its liquidity centrally, has no external debt and has been cash generative over the last few years, which is expected to continue, therefore credit risk is determined to be low.

Section 172(1) Statement

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole.

In doing this section 172 requires a director to have regard to, amongst other matters, the:

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

In discharging our section 172 duties we have regard to the factors set out above. In addition, we also have regard to other factors which we consider relevant to the decision being made.

Those factors for example include the interests and views of members of the Tesco Group. By considering the Company's purpose, vision and values together with its strategic priorities and having a process in place for decision-making, we aim to make sure that our decisions are consistent and appropriate in all the circumstances.

We delegate authority for day-to-day management of the Company to senior management in setting, approving and overseeing execution of the business strategy and related policies. Board meetings are held periodically where the directors consider the Company's activities and make decisions. As a part of those meetings the directors receive information in a range of different formats which includes information relevant to section 172 matters when making relevant decisions. For example, each year we make an assessment of the strength of the Company's balance sheet and future prospects relative to market uncertainties and make decisions about the payment of dividends.

In the period we recommended a dividend of £227.2m. In making our decision we considered a range of factors. These included the long-term viability of the Company; its expected cash flow and financing requirements; the ongoing need for strategic investment in our business and the expectations of our shareholder as the supplier of long-term equity capital to the Company.

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

In accordance with requirements this section 172(1) statement will be published on the Tesco PLC website at www.tescopl.com.

BOOKER WHOLESALE HOLDINGS LIMITED

STRATEGIC REPORT FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023 (continued)

Approved by the Board of Directors on 24 August 2023 and signed on behalf of the Board by:

Veselin Bandev

Veselin Bandev

Director

Booker Wholesale Holdings Limited

Registered Number: 05137980

Registered Office: Equity House, Irthlingborough Road, Wellingborough, Northamptonshire, NN8 1LT, United Kingdom

BOOKER WHOLESALE HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023

The Directors present their Report and the unaudited financial statements of Booker Wholesale Holdings Limited (the "Company") for the 52 weeks ended 26 February 2023 (prior period: 52 weeks ended 27 February 2022) ("2022").

Business review and principal activity

This is discussed in the Strategic Report on page 1 and forms part of this report by cross reference.

Results and dividends

This is discussed in the Strategic Report on page 1 and forms part of this report by cross reference.

Future developments

This is discussed in the Strategic Report on page 1 and forms part of this report by cross reference.

Going concern

At 26 February 2023, the Company had cash at bank and in hand of £10.7m and net amounts owed to Booker Group undertakings of £702.3m, with no fixed repayment date. Booker Group Limited and its subsidiaries ("Booker Group") have significant interdependencies in terms of administration and financing, with two common Directors on all entities. At 26 February 2023, Booker Group had aggregate cash at bank and in hand of £191.0m and net amounts owed by other Tesco Group undertakings of £733.6m. Booker Group has no external debt and has access, if needed, to £400m on short term deposit with Tesco Group undertakings which are typically placed on a three month basis and an overdraft facility. Booker Group is cash generative and has been consistently over the past few years and expect the liquidity position to only strengthen going forwards. The Directors consider that the Company has adequate resources, to remain in operation for a period of at least 12 months from the date of signing the financial statements, whilst the Company also has access if needed to balances owed by Tesco Group undertakings. Therefore, they continue to adopt the going concern basis in preparing the financial statements.

Events after the reporting period

The Company held a direct investment in a trading company, Ritter-Courivaud Limited. On 30 June 2023 the Company reached agreement to sell the investment to a third party and this resulted in a profit on sale of £6.2m.

Political donations

There were no political donations for the period (2022: £nil) and the Company did not incur any political expenditure (2022: £nil).

Research and development

The Company does not undertake any research and development activities (2022: £nil).

Financial risk management

This is discussed in the Strategic Report on pages 1 and 2 and forms part of this report by cross reference.

Colleague engagement

The Company had no employees during the period (2022: none). As a holding company within the Tesco PLC Group (the "Group"), any operating subsidiary colleague engagement is integrated with the workforce engagement of the Group and is not managed separately. The purpose, culture, workforce engagement of the Group is discussed on page 63 of the Tesco PLC Annual Report and Financial Statements 2023, which do not form a part of this Report.

Directors

The following Directors served during the period and up to the date of signing these financial statements, unless otherwise stated:

A Yaxley
V Bandev

None of the Directors had disclosable interests in the Company during this period.

BOOKER WHOLESALE HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023 (continued)

Director liabilities

The Tesco Group maintains directors' and officers' liability insurance which gives appropriate cover for any legal action brought against any of the Group's employees acting as statutory directors to its subsidiary companies. Indemnities have been granted to Tesco PLC directors, the Group General Counsel and Group Company Secretary, to the extent permitted by law, and a qualifying third-party indemnity provision (as defined in Section 234 of the Companies Act 2006) was in force during the year ended 26 February 2023 and remains in force up to the date of signing the financial statements.

Cautionary statement regarding forward-looking information

Where this document contains forward-looking statements, these are made by the Directors in good faith based on the information available to them at the time of their approval of this Report. These statements should be treated with caution due to the inherent risks and uncertainties underlying any such forward-looking information. A number of factors, including those in this document, could cause actual results to differ materially from those contained in any forward-looking statement.

Directors' Responsibilities Statement

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), including FRS 101 "Reduced Disclosure Framework".

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors on 24 August 2023 and signed on behalf of the Board by:



Veselin Bandev
Director

Booker Wholesale Holdings Limited

Registered Number: 05137980

Registered Office: Equity House, Irthlingborough Road, Wellingborough, Northamptonshire, NN8 1LT, United Kingdom

BOOKER WHOLESALE HOLDINGS LIMITED**PROFIT AND LOSS ACCOUNT FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023**

		52 weeks ended 26 February 2023	52 weeks ended 27 February 2022
	Notes	£m	£m
Administrative expenses		(203.5)	-
Operating loss		(203.5)	-
Interest receivable and similar income	6	-	1.4
Interest payable and similar charges	7	(20.2)	(18.1)
Dividends received		600.0	100.0
Profit before tax		376.3	83.3
Tax charge on profit	8	-	-
Profit for the financial period		376.3	83.3

There are no material differences between the profit before tax and the profit for the financial period stated above and their historical cost equivalents in the current and previous period.

There is no other comprehensive income/(expense) in the periods presented; therefore no separate Statement of Comprehensive Income has been prepared. Total comprehensive income is equal to profit for the financial periods presented.

All operations are continuing for the current and previous financial periods.

The notes on pages 9 to 16 form an integral part of these financial statements.

BOOKER WHOLESALE HOLDINGS LIMITED
BALANCE SHEET AS AT 26 FEBRUARY 2023

		26 February 2023	27 February 2022
	Notes	£m	£m
Non-current assets			
Investments	9	939.9	1,139.1
		939.9	1,139.1
Current assets			
Debtors: amounts falling due within one year	10	-	89.8
Cash at bank and in hand		10.7	5.3
		10.7	95.1
Current liabilities			
Creditors: amounts falling due within one year	11	(702.3)	(1,139.3)
		(702.3)	(1,139.3)
Net current liabilities		(691.6)	(1,044.2)
Net assets		248.3	94.9
Capital and reserves			
Called up share capital	12	-	-
Capital contribution	12	71.2	66.9
Profit and loss account		177.1	28.0
Total shareholders' funds		248.3	94.9

The notes on pages 9 to 16 form an integral part of these financial statements.

For the 52 weeks ended 26 February 2023 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006.

No members have required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and for the preparation of accounts.

The financial statements on pages 6 to 16 were approved by the Board of Directors and authorised for issue on 24 August 2023. They were signed on its behalf by:

Veselin Bandev

Veselin Bandev
 Director
 Booker Wholesale Holdings Limited
 Registered Number: 05137980
 Registered Office: Equity House, Irthlingborough Road, Wellingborough, Northamptonshire, NN8 1LT, United Kingdom

BOOKER WHOLESALE HOLDINGS LIMITED**STATEMENT OF CHANGES IN EQUITY FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023**

	Notes	Called up share capital * £m	Capital contribution reserve £m	Profit and loss account £m	Total equity £m
Balance as at 28 February 2021		-	58.5	44.7	103.2
Capital contribution	12	-	8.4	-	8.4
Profit for the financial period		-	-	83.3	83.3
Dividends paid	13	-	-	(100.0)	(100.0)
Balance as at 27 February 2022		-	66.9	28.0	94.9
Capital contribution	12	-	4.3	-	4.3
Profit for the financial period		-	-	376.3	367.3
Dividends paid	13	-	-	(227.2)	(227.2)
Balance as at 26 February 2023		-	71.2	177.1	239.3

* See Note 12 for a description of the Called up share capital

The notes on pages 9 to 16 form an integral part of these financial statements.

BOOKER WHOLESALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Booker Wholesale Holdings Limited (the "Company") for the 52 weeks ended 26 February 2023 were approved by the Board of Directors on 24 August 2023 and the Balance Sheet was signed on the Board's behalf by Veselin Bandev. These financial statements were prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101"). The financial statements have been prepared on a going concern basis under the historical cost convention and the Companies Act 2006.

As permitted by Schedule 1 to the Accounting Regulations, the presentation of the financial statements have been adapted to be in line with the presentation prescribed by IAS 1.

The functional currency of the Company is considered to be Pound Sterling (£) because that is the currency of the primary economic environment in which the Company operates.

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Tesco PLC. The Company's results are included in the consolidated financial statements of Tesco PLC, which are available from Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom.

The Company's financial statements are presented in Pound Sterling and all values are rounded to the nearest hundred thousands, except when otherwise indicated.

2. General information

The Company is a private company limited by shares and is incorporated in the United Kingdom and registered in England and Wales under the Companies Act 2006. The address of the registered office is Equity House, Irthlingborough Road, Wellingborough, Northamptonshire, NN8 1LT, United Kingdom. The nature of the Company's operations and its principal activity are set out in the Strategic Report on page 1.

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and to the preceding period, unless otherwise stated.

3. Accounting policies

a) Basis of preparation

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted for use within the UK ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken. Following the UK's exit from the European Union the Company has early adopted the FRS 101 amendments 'UK exit from the European Union'.

The Company is a qualifying entity for the purposes of FRS 101. Note 15 gives details of the Company's parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

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

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements of paragraphs 10(d), 10(f) and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of the second sentence of paragraph 110 and paragraph 113(a), 114, 115, 118, 119 (a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from contracts with Customers;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;

BOOKER WHOLESALE HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023 (continued)**

3. Accounting policies (continued)**a) Basis of preparation (continued)**

- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
- the requirements of paragraph 58 of IFRS 16, provided that the disclosure of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separately for lease liabilities and other liabilities, and in total;
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets; and
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - (i) paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - (ii) paragraph 118(e) of IAS 38 Intangible Assets; and
 - (iii) paragraph 79(a) (iv) of IAS 1.

b) New and revised IFRS applied with no material effect on the financial statements

The Company has not applied any new standards, interpretations or amendments which are effective in the current financial year that had a material effect on the financial statements. Hence there has been no impact in the financial statements.

c) Going concern

At 26 February 2023, the Company had cash at bank and in hand of £10.7m and net amounts owed to Booker Group undertakings of £702.3m, with no fixed repayment date. Booker Group Limited and its subsidiaries ("Booker Group") have significant interdependencies in terms of administration and financing, with two common Directors on all entities. At 26 February 2023, Booker Group had aggregate cash at bank and in hand of £191.0m and net amounts owed by other Tesco Group undertakings of £733.6m. Booker Group has no external debt and has access, if needed, to £400m on short term deposit with Tesco Group undertakings which are typically placed on a three month basis and an overdraft facility. Booker Group is cash generative and has been consistently over the past few years and expect the liquidity position to only strengthen going forwards. The Directors consider that the Company has adequate resources, to remain in operation for a period of at least 12 months from the date of signing the financial statements, whilst the Company also has access if needed to balances owed by Tesco Group undertakings. Therefore, they continue to adopt the going concern basis in preparing the financial statements.

d) Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions in applying the Company's accounting policies to determine the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Estimates

There are no key sources of estimation uncertainty that have a material impact on the financial statements.

Judgements

There are no critical accounting judgements which have a significant effect on amounts recognised in the financial statements.

e) Significant accounting policies**Investments**

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment. The Company tests the investment balances for impairment when there are indicators of impairment. Any impairment is recognised in the Profit and Loss Account in the period in which it occurs.

Impairment of investments

Where there are indicators of impairment or reversals of previous impairment for investments in subsidiaries, joint ventures, associates and other investments, management performs an impairment test for the investment based on the higher of value in use and fair value less costs of disposal.

BOOKER WHOLESALE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023 (continued)

3. Accounting policies (continued)

e) Significant accounting policies (continued)

Impairment of investments (continued)

At each Balance Sheet date, the Company reviews the carrying value of its investments 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 an impairment loss (if any). Recoverable amount is the higher of net realisable value and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value of money and the risks specific to the assets for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying value, the carrying value of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Cash at bank and in hand

Cash at bank and in hand in the Balance Sheet comprises of cash at banks and in hand and short-term deposits with an original maturity of three months or less.

Income taxes

Current tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. The tax currently payable is based on taxable profit for the period. 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 periods and it further excludes items that are never taxable or deductible. Tax provisions are recognised for uncertain tax positions where a risk of an additional tax liability has been identified and it is probable that that the Company will be required to settle that tax. Measurement is dependent on subjective judgements as to the outcome of decisions by tax authorities. This is assessed on a case by case basis using in-house tax experts, professional firms and previous experience.

Current tax for the period

Current tax is recognised in the Profit and Loss Account, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity.

Group relief on taxation

The Company may receive or surrender group relief from Group companies without payment and consequently there may be no tax charge in the Profit and Loss Account.

Dividend income

Income from shares in Group undertakings is recognised in the Profit and Loss Account when the shareholder's right to payment is established, that is on declaration of the dividend by the subsidiary, joint venture and associate companies.

Interest receivable and similar income

Interest receivable is calculated on accrual basis.

Interest payable and similar charges

Intercompany interest-bearing loans are initially recorded at fair value. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between proceeds and redemption value being recognised in the Profit and Loss Account over the period of the borrowings on an effective interest basis.

Share based payments

Share options granted by the parent of the group to employees of a subsidiary are accounted for as an investment in the subsidiary with a corresponding increase in reserves.

BOOKER WHOLESALE HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 26
FEBRUARY 2023 (continued)****4. Operating loss**

	2023	2022
	£m	£m
Operating loss is stated after charging:		
Impairment of investment in subsidiaries (Note 9)	203.5	-

5. Staff costs and Directors' remuneration**(a) Employee information**

The company had no employees throughout this or the previous period, other than the directors.

(b) Directors' remuneration

No remuneration or fees were paid by the company to any of its Directors during this or the previous period in respect of services to the company. The Directors of the company were remunerated by other Group undertakings for their services to the Group as a whole, and are not repayable. It is not practicable to allocate their remuneration in respect of each of the subsidiaries.

6. Interest receivable and similar income

	2023	2022
	£m	£m
Intercompany loan interest	-	1.4

7. Interest payable and similar charges

	2023	2022
	£m	£m
Intercompany loan interest	20.2	18.1

8. Tax charge on profit**(a) Factors that have affected the tax charge**

The standard rate of corporation tax in the UK at the balance sheet date is 19%. The Finance Act 2021 included legislation to increase the main rate of UK corporation tax from 19% to 25% from 1 April 2023. As the change to the main UK corporation tax rate was substantively enacted by the balance sheet date the impact is included in these financial statements with temporary differences remeasured using the enacted tax rates that are expected to apply when the liability is settled or the asset realised.

(b) Tax charge in the Profit and Loss Account

The analysis of the charge for the period is as follows:

	2023	2022
	£m	£m
Total tax charge in the Profit and Loss Account	-	-

BOOKER WHOLESALE HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023 (continued)****8. Tax charge on profit (continued)****(c) Reconciliation of the tax charge**

The differences between the total charge shown above and the amount calculated by applying the UK corporation tax rate to profit is as follows:

	2023	2022
	£m	£m
Profit before tax	376.3	83.3
Tax charge at standard UK corporation tax rate of 19% (2022: 19%)	(71.5)	(15.8)
Effects of:		
Non taxable dividend income from subsidiaries	114.0	19.0
UK to UK transfer pricing adjustment	0.5	-
Non deductible investment impairment	(38.7)	-
Group relief surrendered without payment	(4.3)	(3.2)
Total tax charge	-	-

9. Investments

	Total
	£m
Cost	
At 27 February 2022	1,158.2
Additions – Capital contribution	4.3
Disposals	(19.1)
Impairment	(203.5)
At 26 February 2023	939.9
Provision	
At 27 February 2022	19.1
Disposals	(19.1)
At 26 February 2023	-
Net book value:	
At 26 February 2023	939.9
At 27 February 2022	1,139.1

The capital contribution relates to the cost of granting share based payments to employees of subsidiary undertakings.

The subsidiaries listed below include dormant entities and provision is made against certain investments. The Directors believe that the carrying value of the investments is supported by their underlying net assets and their expected future cash flows. Details of the principal undertaking at the period end is as follows:

Details of Subsidiary undertakings

In accordance with Schedule 4 of The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, a full list of related undertakings, the registered office address, the place of incorporation and the percentage of each share class owned as at 26 February 2023 are disclosed on pages 14 to 15.

BOOKER WHOLESALE HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 26
FEBRUARY 2023 (continued)****9. Investments (continued)****Subsidiary undertakings as at 26 February 2023**

Name of Entity	Registered office address	Share class	% interest held	Direct/ Indirect holding
BF Limited	1	£0.000000011111111 Ordinary	100%	Indirect
Bishop's Group Limited	1	£0.01 Ordinary	100%	Indirect
Booker Cash & Carry Limited	1	£1.00 Ordinary	100%	Indirect
Booker Direct Limited	1	£0.01 Ordinary	100%	Direct
Booker Limited	1	£1.00 Ordinary	100%	Direct
Booker Retail Partners (GB) Limited	1	£1.00 Ordinary	100%	Direct
Booker Retail Limited	1	£0.10 Ordinary	100%	Indirect
Booker Pension Trustees Limited	1	Limited by Guarantee	-	Indirect
Booker Unapproved Scheme Trustees Limited	1	Limited by Guarantee	-	Indirect
Budgen Holdings Limited	1	£1.00 Ordinary	100%	Indirect
Budgens Pension Trustees No2 Limited	1	£1.00 Ordinary	100%	Indirect
Budgens Property Investments Limited	1	£1.00 Ordinary	100%	Indirect
Budgens Stores Limited	1	£1.00 Ordinary	100%	Indirect
Giant Bidco Limited	1	£1.00 Ordinary	100%	Indirect
Giant Booker Limited	1	£0.25 Ordinary	100%	Direct
Giant Midco Limited	1	£1.00 Ordinary	100%	Direct
IRTH (15) Limited	1	£1.00 Ordinary	100%	Indirect
IRTH (19) Limited	1	US\$0.000000052383172 Ordinary	100%	Indirect
Linco Limited	1	£1.00 Ordinary	100%	Indirect
Londis (Holdings) Limited	1	£50.00 Ordinary	100%	Indirect
Londis Pension Trustees Limited	1	£1.00 Ordinary	100%	Indirect
Makro Holding Limited	1	£1.00 Ordinary	100%	Direct

BOOKER WHOLESALE HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023 (continued)****9. Investments (continued)****Subsidiary undertakings as at 26 February 2023 (continued)**

Name of Entity	Registered office address	Share class	% interest held	Direct/Indirect holding
Makro Properties Limited	1	£1.00 Ordinary	100%	Indirect
Makro Self Service Wholesalers Limited	1	£1.00 Ordinary A £1.00 Ordinary B	100% 100%	Indirect
Murdoch Norton Limited	1	£0.05 Ordinary	100%	Indirect
Ritter-Courivaud Limited	1	£0.10 Ordinary	100%	Direct
The Big Food Group Limited	1	£0.10 Ordinary	100%	Direct

Registered office addresses:

1 Equity House, Irthingborough Road, Wellingborough, Northamptonshire, NN8 1LT, United Kingdom

The Company held a direct investment in a trading company, Ritter-Courivaud Limited. On 30 June 2023 the Company reached agreement to sell the investment to a third party and this resulted in a profit on sale of £6.2m.

10. Debtors: amounts falling due within one year

	2023 £m	2022 £m
Amounts owed by Booker Group undertakings	-	89.8

11. Creditors: amounts falling due within one year

	2023 £m	2022 £m
Amounts owed to Booker Group undertakings	702.3	1,139.3

Of the amounts owed to Booker Group undertakings, all amounts are unsecured, 3 loans bear interest at 5.2557% and are repayable in 12 months.

12. Called up share capital

	2023 £	2022 £
Allotted, called up and fully paid		
100 Ordinary A1 shares of £0.01 each	1	1

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

Capital contribution

This represents the cost of share based payments to employees which are satisfied by shares issued by the ultimate holding company, Tesco PLC.

BOOKER WHOLESALE HOLDINGS LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 26 FEBRUARY 2023 (continued)****13. Dividends paid**

	2023	2022
	£m	£m
Declared and paid during the period		
£2.272m per share (2022: £1.0m per share)	227.2	100.0

The Directors do not propose a final dividend for 2023 (2022: £nil).

14. Related party transactions

During the period the Company entered into transactions, in the ordinary course of business, with other related parties. The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries within the Group.

15. Ultimate group undertaking

The Company's immediate parent undertaking is Booker Group Limited. The Company's ultimate parent undertaking is Tesco PLC, which is registered in England and Wales, and which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Tesco PLC is listed on the London Stock Exchange therefore in the opinion of the directors there is no ultimate controlling party.

Copies of the Tesco PLC Annual Report and Financial Statements 2023 are available from the Company Secretary at the registered office address: Tesco House, Shire Park, Kestrel Way, Welwyn Garden City, AL7 1GA, United Kingdom or from the Tesco Plc website (www.tescopl.com).

16. Events after the reporting period

The Company held a direct investment in a trading company, Ritter-Courivaud Limited. On 30 June 2023 the Company reached agreement to sell the investment to a third party and this resulted in a profit on sale of £6.2m.