

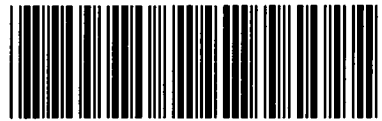
Badaboom Ltd

Registration no: SC402729

Annual report and financial statements

For the year ended 28 February 2021

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Badaboom Ltd

Annual report and financial statements

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Badaboom Ltd

Directors and other information

Directors	K Gray J Catto (appointed 28 October 2020) R Heffernan R Webster (resigned 28 October 2020) D Frew (resigned 21 April 2020) E J Robertson (resigned 12 March 2020)
Secretary	C&C Management Services Limited
Principal bankers	Royal Bank of Scotland 339 Byres Road Glasgow G12 8QP
Solicitors	McCann FitzGerald Riverside One Sir John Rogerson's Quay Dublin 2
Auditor	Ernst & Young LLP G1, 5 George Square Glasgow G2 1DY
Registered office	161 Duke Street Glasgow G3 1JD
Registered number	SC402729

Badaboom Ltd

Directors' Report for the Year Ended 28 February 2021

The directors present their report and the audited financial statements of Badaboom Ltd (the company) for the year ended 28 February 2021.

Strategic Report

The company is exempt from preparing a Strategic Report as it is entitled to the exemption available for small companies.

Principal activities

The principal activity of the company is the provision of drink brand promotions and bar services.

Directors, secretary and their interests

The directors and secretary who served at any time during the period are set out on page 1.

Results and dividends

The loss for the year after taxation amounted to £95,938 (2020: Profit for the year £200,695). As a result of national restrictions on the hospitality industry due to COVID-19 we seen reduced customer activity throughout the year. To mitigate this loss of revenue the company availed of the Government's COVID Job Retention Scheme by £172,319.

During the year the company paid an interim dividend of £Nil (2020: £Nil). The directors do not recommend a final dividend for 2021 (2020: £Nil).

Covid-19

Prior to the year-end, the ongoing impact of Covid-19 epidemic continued to have an impact on global economies and on businesses generally. Post year end we began to see restrictions relaxed, which allowed Local Authorities in Scotland to ultimately move to tier 0. This has seen relaxation on the drinks industry nationally. Similar to businesses across many sectors and specifically the drinks industry, Government-imposed restrictions, while necessary to slow the spread of Covid-19, have had a significant impact on many of the company's customers, as well as the company's employees, many of whom have been furloughed. In the year we availed of the furlough scheme by £172,319 which has been reflected in the reported other income.

The Covid-19 pandemic represents a challenge of unprecedented scale for our industry and supply chain partners alike. From the outset of the virus, our priority has been protecting the health and wellbeing of our people, customers, suppliers, business partners and community. We are continuously monitoring the advice provided by the health authorities and in line with that guidance, the company has implemented an extensive range of measures to provide the safest environment we can for our stakeholders.

Badaboom Ltd

Directors' Report (continued)

Going concern

These financial statements have been prepared on the going concern basis. The directors are required to state whether it is appropriate to adopt the going concern basis of accounting in preparing the financial statements, and to identify any material uncertainties as to the Company's ability to continue as a going concern over a period of at least 12 months from the date of approval of the financial statements. The period of management's going concern assessment is the period to 31 August 2022.

The company is in a net current asset position of £113,111 as at the financial year end and the company requires parental financial support from the parent. C&C Group plc (the parent), has provided a letter of support confirming it will provide support for the period to at least 12 months from date of approval of the financial statements where required.

The Directors of the Company have considered the ability of the parent to provide financial support, through directly reviewing the going concern assessment of the parent. The parent company financial statements for the year ended 28 February 2021, having adopted the going concern basis of preparation, were approved by its directors on 26 May 2021.

The parent has confirmed through the provision of a letter of support that it will provide or procure such funds as necessary to enable the company to settle its liabilities as they fall due for at least the next twelve months from the date of approval of the financial statements through to the end of the group's assessment period to 31 August 2022. The amount of funding that may be required from the parent is dependent on the future trading performance and the impact of Covid-19.

Going concern assessment – parent

In assessing the basis of preparation of the financial statements, the parent have undertaken an assessment of going concern, considering financial forecasts for the period to 31 August 2022. The directors recognise that Covid-19 has had a significant impact on the trading and liquidity of the company. The emergence of Covid-19 has impacted global economies and businesses generally. Similar to businesses across many sectors, Government-imposed restrictions from March 2020 onwards, while necessary to slow the spread of Covid-19, had a significant impact on the closure of the hospitality industry, therefore significantly reducing our on-trade sales.

The directors of the parent have reviewed the forecast financial position of the group for the duration of the going concern review period including a base case scenario, reasonable worst case scenario by stress testing the key assumptions, and its forecast funding to the other subsidiaries within the group for the period ending 31 August 2022. The key assumption in the assessment is the phased reopening of the on-trade business in the C&C Group plc's main markets of England, Scotland and Ireland based on available Government advice and roadmaps.

Badaboom Ltd

Directors' Report (continued)

The parent's scenarios used in its going concern assessment are outlined below:

- The base case projection assumes on-trade recovery in England and Scotland continuing from April and May 2021 respectively, Ireland's on-trade recovery commencing from June 2021.
- The pace of recovery is assumed to be similar across each territory once on-trade restrictions are eased, with gradual improvement to volumes.
- In aggregate on-trade volumes over the assessment period are projected to be approximately 79% of FY2020 in the base case scenario over the assessment period.
- The reasonable worst case projection assumes the same timeline for re-opening of on-trade as the base case; however volumes are projected to hold flat at modest levels for the remainder of the summer as many on-trade restrictions are assumed to remain in place over that period and then build more gradually from that point.
- The reasonable worst-case projection contains linked working capital assumptions reflecting a more challenged supplier credit environment

The going concern base case and reasonable worse case scenarios also consider the achievement of cost saving measures, the parent company's financing facilities, the use of temporary government supports and projected dividend payments. The parent benchmarked the impacts of both scenarios against the monthly liquidity and gross debt covenant waiver tests through the going concern assessment period. The parent has obtained waivers on its original covenant requirements up to, but not including, the August 2022 test date whether or not the rights issue was successful. The headroom on the covenants within the financing facilities have been reviewed in detail by group management of the parent.

Please refer to the full Annual Report of C&C Group plc (which can be found at <https://candcgroupplc.com/investors/financial-reports/>) for further details.

As a result, the parent continues to adopt the going concern basis of accounting in preparing the Group financial statements.

Going concern assessment – company

Taking the parent going concern assessment into consideration, the Board of Directors of the Company have a reasonable expectation that the parent has sufficient resources to provide ongoing financial support for the foreseeable future, which is the period to at least 12 months from date of approval of the financial statements.

As a result, the Board of Directors of the Company will continue to adopt the going concern basis of accounting in preparing the company financial statements.

Badaboom Ltd

Directors' Report (continued)

Principle Risk and Uncertainties

Risk & Uncertainties	Mitigation
The company may be adversely affected by changes in government regulations affecting alcohol marketing promotions.	This risk is mitigated by support of trade associations within the C&C group to present the industry's case to government.
Covid-19 Pandemic represents a challenge for the company and industry.	The company has implemented an extensive range of measures to provide the safest environment for our stakeholders and will continue to work with customers to offer support where possible and overcome these difficulties together.
Seasonal fluctuations in demand, especially an unseasonably bad summer in the UK could materially affect demand for cider products.	Brand diversification is helping to mitigate this risk.

Future developments

The company will continue to work closely with C&C Group plc and explore opportunities to work with other brand owners to promote and grow their brands as well as the Badaboom brand.

Post balance sheet events

The company has undertaken an assessment and have identified there to be no post balance sheet events have occurred since year end.

Badaboom Ltd

Directors' Report (continued)

KPIs

Key Performance Indicators (KPIs)	
The company's KPIs have been developed to align to parent company and management objectives in line with our annual budgeting and three year plan cycles.	
Strategy: Driving Growth	
<i>Growth is driven through marketing, innovation and supporting our customers through unique and diverse brand awareness and experiential events.</i>	
KPI: Net Turnover	
The level of sales achieved in the year after discounts and duty are deducted. Net revenue decreased 62% as a result of Covid-19 trading restrictions during the year.	
Strategy: Enhancing margins	
<i>We intend to enhance our margins through operational improvement.</i>	
KPI: Operating profit %	
Based on the headline operating loss before tax excluding exceptional costs operating profit percentage decreased 140% compared to prior year.	

Political and charitable contributions

The company made charitable donations of £800 (2020: £3,366) during the year.

Employment of disabled persons

All applications for employment from disabled persons are given full and fair consideration, due regard being given to the aptitude and ability of the individual and the requirements of the position concerned. Disabled persons are treated on equal terms with other employees with regards to training, career development and promotion. In the event an existing employee becoming disabled, every effort is made to ensure continuity of employment, and that appropriate training is given where necessary.

Disclosure of information to auditor

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and therefore Ernst & Young LLP will continue in office.

Badaboom Ltd

Directors' Report (continued)

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102.

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 its profit or loss for that period.

In preparing these financial statements, the directors are required to:

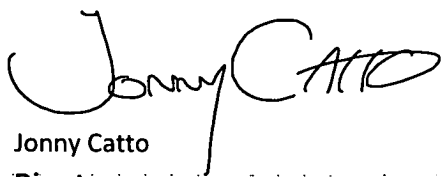
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 accounts 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.

Small company provisions

This report has been prepared in accordance with the small companies regime under section 415A of the Companies Act 2006.

On behalf of the board



Jonny Catto

Director

27 August 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BADABOOM LTD

Opinion

We have audited the financial statements of Badaboom Ltd (the 'company') for the year ended 28 February 2021 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Comprehensive Income, the Statement of Changes in Equity and the related notes 1 to 19, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 28 February 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of 12 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. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BADABOOM LTD (CONTINUED)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 there is 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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 directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BADABOOM LTD (CONTINUED)

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.

Explanation as to what extent 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, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework, being United Kingdom Accounting Standards including FRS 102 and the Companies Act 2006, and the relevant tax compliance regulations in the UK.
- We understood how the Company is complying with those frameworks by making enquiries of management, those charged with governance, and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and any correspondence with tax authorities and noted that there was no contradictory evidence.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BADABOOM LTD (CONTINUED)

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by making enquiries of management from various parts of the business and performing a walkthrough of the financial statement close process. We also considered performance targets and their propensity to influence efforts made by management to manage results. Where this risk was considered to be higher, we performed audit procedures to address each identified fraud risk. We identified the following fraud risks:
 - Fraud risk regarding revenue recognition arising from the potential for incorrect recording of cut-off. In response to this fraud risk, we performed year-end cut-off procedures.
 - Fraud risk in respect of management override of controls. In response to this fraud risk, we performed procedures that included testing manual journals based on specific criteria, investigating the journals identified to gain an understanding of these transactions and agree to source documentation.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures, in addition to those set out above, included a review of board minutes to identify any non-compliance with laws and regulations. In addition, we completed procedures to conclude on the compliance of the disclosures in the financial statements and accounts with all applicable requirements.

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

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.

Ernst & Young LLP

Julie Cavin (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Edinburgh
27 August 2021

Badaboom Ltd

Profit and Loss Account

for the year ended 28 February 2021

	Notes	Year ended 28 February 2021	Year ended 29 February 2020 (As Restated)
		£	£
Turnover	3	1,073,747	2,794,196
<u>Cost of sales</u>		<u>(779,322)</u>	<u>(2,209,285)</u>
Gross Profit		294,425	584,911
Administrative expenses		(1,209,449)	(938,418)
Other Income	4	826,203	576,179
Operating profit/(loss)	5	(88,821)	222,672
<u>Interest payable and similar charges</u>		<u>(14,910)</u>	<u>(14,400)</u>
Profit/(Loss) on ordinary activities before taxation		(103,731)	208,272
Tax charge	8	7,793	(7,577)
<u>Profit/(Loss) for the financial year</u>		<u>(95,938)</u>	<u>200,695</u>

Statement of Comprehensive Income

for the year ended 29 February 2021

	Year ended 28 February 2021	Year ended 29 February 2020
	£	£
Profit/(Loss) for the financial year	(95,938)	200,695
<u>Total comprehensive profit/(loss) for the year</u>	<u>(95,938)</u>	<u>200,695</u>

The accompanying notes form part of the financial statements.

Badaboom Ltd

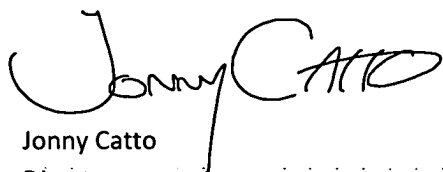
Balance Sheet

As at 28 February 2021

	Notes	2021 £	2020 £
Noncurrent assets			
Tangible Fixed Assets	9	109,499	69,936
Deferred tax asset	12	4,317	–
		113,816	69,936
Current Assets			
Stock		22,255	–
Debtors	10	245,997	788,473
Cash at bank and in hand		518,963	523,752
		787,215	1,312,225
Creditors			
Creditors: amounts due within one year	11	(674,104)	(1,055,820)
Net current assets		113,111	256,405
Total assets less current liabilities		226,927	326,341
Provision for liabilities and charges	12	–	(3,476)
Net assets		226,927	322,865
Capital and reserves			
Share capital	13	100	100
Profit and loss account		226,827	322,765
		226,927	322,865

The accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime. The accompanying notes form part of the financial statements.

The financial statements were approved by the board on 27 August 2021 and signed on its behalf by:



Jonny Catto
Director

Company Registered Number: SC402729

Badaboom Ltd

Statement of Changes in Equity

For the year ended 28 February 2021

	Called Up Share Capital £	Profit and loss account £	Total £
At 28 February 2019	100	122,070	122,170
Profit for the financial year	-	200,695	200,695
At 29 February 2020	100	322,765	322,865
Loss for the financial year	-	(95,938)	(95,938)
At 28 February 2021	100	226,827	226,927

The accompanying notes form part of the financial statements.

Badaboom Ltd

Notes to the financial statements – For the year ended 28 February 2021

1 – Statement of Accounting Policies

Statutory information

Badaboom Ltd is a private company incorporated, domiciled and registered in Scotland in the UK. The registered number is SC402729 and the registered address is 161 Duke Street, Glasgow, G31 1JD.

Compliance with accounting standards

The accounts have been prepared in accordance with the provisions of FRS 102 Section 1A Small Entities. There were no material departures from that standard.

Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Basis of preparation

The accounts have been prepared under the historical cost convention.

Going concern

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Badaboom Ltd

Notes to the financial statements – continued

Going concern assessment – parent

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- The pace of recovery is assumed to be similar across each territory once on-trade restrictions are eased, with gradual improvement to volumes.
- In aggregate on-trade volumes over the assessment period are projected to be approximately 79% of FY2020 in the base case scenario over the assessment period.
- The reasonable worst case projection assumes the same timeline for re-opening of on-trade as the base case; however volumes are projected to hold flat at modest levels for the remainder of the summer as many on-trade restrictions are assumed to remain in place over that period and then build more gradually from that point.
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Please refer to the full Annual Report of C&C Group plc (which can be found at <https://candcgroupplc.com/investors/financial-reports/>) for further details.

Badaboom Ltd

Notes to the financial statements – continued

As a result, the parent continues to adopt the going concern basis of accounting in preparing the Group financial statements.

Going concern assessment – company

Taking the parent going concern assessment into consideration, the Board of Directors of the Company have a reasonable expectation that the parent has sufficient resources to provide ongoing financial support for the foreseeable future, which is the period to at least 12 months from date of approval of the financial statements. As a result, the Board of Directors of the Company will continue to adopt the going concern basis of accounting in preparing the company financial statements.

Presentation currency

The accounts are presented in pound sterling (£).

Turnover

Turnover comprises the fair value of goods supplied to customers exclusive of VAT.

Government Grants

Government grant is presented as part of other income and relates to the financial support received as part of the Coronavirus Job Retention Scheme (CJRS). The grant is recognised when there is a reasonable assurance that the entity will comply with the conditions attaching to them, and the grants will be received. Grant income is presented as gross as required by the accounting standard.

Tangible fixed assets and depreciation

Tangible assets are included at cost less depreciation and impairment. Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives:

Motor vehicles	25% reducing balance
Fixtures & fittings	25% reducing balance

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and in short term deposits with an original maturity of three months or less.

Interest receivable and interest payable

Interest payable and similar expenses include interest payable and net foreign exchange losses that are recognised in the profit and loss account. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains. Interest income and interest payable is recognised in profit and loss as it accrues, using the effective interest method.

Trade Debtors

Trade debtors are recognized initially at transaction price less attributable costs. Subsequent to initial recognition they are measured at amortised cost, less any impairment losses

Badaboom Ltd

Notes to the financial statements – continued

Stocks

Trading stocks are stated at the lower of cost and net realisable value. Cost comprises purchase price. Net realisable value is based on normal selling price, less further costs expected to be incurred to completion and disposal.

Foreign currencies

Transactions in foreign currencies are translated to pound sterling at the foreign exchange rate ruling at the date of transaction.

Taxation including deferred taxation

Tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the company's accounts. Deferred tax is provided in full on timing differences which result in an obligation to pay more (or less) tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws.

Deferred tax assets and liabilities are not discounted.

Defined contribution plans

The company operates a defined contribution pension scheme. A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit or loss account in the periods during which services are rendered by employees.

Trade Creditors

Trade creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Share Capital

Ordinary shares are classified as equity instruments. Incremental costs directly attributable to the issuance of new shares are shown in equity as a deduction from the gross proceeds.

Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Badaboom Ltd

Notes to the financial statements – continued

2 – Prior Year Adjustment

The Company identified that management recharges of £576,179 for the prior year-ended 29 February 2020 to the immediate parent company, Tennent Caledonian Breweries UK Limited, had been incorrectly recorded as turnover. Therefore, the prior year comparatives have been restated resulting in a decrease to turnover and increase to other operating income of £576,179. There was no impact on the net assets or the profit for the prior period as a result of this restatement

3 – Turnover

	Year ended 28 February 2021	Year ended 29 February 2020 (As Restated)
	£	£
The provision of drink brand promotions and bar services	1,073,747	2,794,196

4 – Other Income

	Year ended 28 February 2021	Year ended 29 February 2020 (As Restated)
	£	£
Coronavirus Job Retention Scheme Grant	172,319	-
C&C Management Recharge	653,884	576,179
	826,203	576,179

5 – Expenses and auditor's remuneration

Included in the profit are the following:

	Year ended 28 February 2021	Year ended 29 February 2020
	£	£
Depreciation	31,804	15,510
Staff Costs	782,350	859,808
	814,154	875,318

Auditor remuneration of £10,585 (2020: £8,000) was borne by another group company on Badaboom Ltd's behalf.

Badaboom Ltd

Notes to the financial statements – continued

6 – Staff numbers and costs

	Year ended 28 February 2021 No.	Year ended 29 February 2020 No.
--	---------------------------------------	---------------------------------------

The average number of persons employed by the company (including executive directors) during the year, analysed by category, was as follows:

Production	5	7
Sales, marketing and administration	15	16
	<u>20</u>	<u>23</u>

The aggregate remuneration costs of these employees were:

	Year ended 28 February 2021 £	Year ended 29 February 2020 £
Wages and salaries	667,936	753,626
Social welfare costs	77,060	75,574
Other pension costs	37,354	30,608
	<u>782,350</u>	<u>859,808</u>

7 – Directors' remuneration

Directors' remuneration	88,861	75,000
Company contributions to pension plans	2,707	3,750
	<u>91,568</u>	<u>78,750</u>

The aggregate remuneration of the highest paid director was £88,861 (2020: £75,000) with company pension contributions made of £2,707 for 1 Director (2020: £3,750 for 1 Director).

Badaboom Ltd

Notes to the financial statements – continued

8 – Taxation

	Year ended 28 February 2021 £	Year ended 29 February 2020 £
(a) Analysis of the charge in the year		
Current tax		
Corporation tax	-	-
Total current tax	-	-
Deferred tax		
Originating / reversal of temporary differences	(13,107)	7,577
Adjustment in respect of prior periods	4,905	
Impact of deferred tax at a different rate	409	
Total deferred tax	(7,793)	7,577
Tax on profit	(7,793)	7,577

	Year ended 28 February 2021 £	Year ended 29 February 2020 £
(b) Reconciliation of effective tax charge		
Profit for the financial year	(95,938)	200,695
Total tax (charge)	7,793	(7,577)
Profit excluding taxation	(103,731)	208,272
Profit on ordinary activities multiplied by the standard rate of corporation tax of 19% (2020: 19%)	(19,709)	39,572
Expenses not deductible for tax purposes	5,459	-
Other	1,143	-
Group relief surrendered		(31,587)
Prior year adjustment	4,905	
Impact of deferred tax at a different rate	409	(408)
Total tax charge reported in the income statement	(7,793)	7,577

Badaboom Ltd

Notes to the financial statements – continued

(c) Factors that may affect future changes

Finance Act 2020 repealed the previously enacted reduction in the main rate of corporation tax to 17% which was to have effect from 1 April 2020 thereby maintaining the current main rate of corporation tax at 19%. It was announced in the recent budget that the main rate of corporation tax will increase from the current rate of 19% to 25% from 1 April 2023. The proposed rate change is included in Finance Bill 2021.

FRS 102 requires deferred tax to be measured using the tax rates that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing differences. As the legislation reflecting the 25% corporation tax rate was not enacted at the reporting date (balance sheet date) deferred tax has been provided for at 19%.

9 – Tangible Fixed Assets

	Leasehold Improvements £	Motor Vehicles £	Fixtures & Fittings £	Total £
Cost or valuation				
At 1 March 20	-	61,446	83,033	144,479
Additions in year	100,101	-	-	100,101
Disposals in year		(45,646)	(51,698)	(97,344)
At 28 February 2021	100,101	15,800	31,335	147,236
Depreciation				
At 1 March 2020	-	37,836	36,707	74,543
Charge for the year	20,020	3,950	7,834	31,804
Disposals in year	-	(34,501)	(34,109)	(68,610)
At 28 February 2021	20,020	7,285	10,432	37,737
Net book value				
At 28 February 2021	80,081	8,515	20,903	109,499
Net book value				
At 29 February 2020	-	23,610	46,326	69,936

Badaboom Ltd

Notes to the financial statements – continued

10 – Debtors: amounts falling due within one year

	2021	2020
	£	£
Trade debtors	9,481	472,933
Amounts due from group undertakings	212,777	212,777
Amounts due from related parties	-	1,004
Prepayments and accrued income	14,958	101,609
Other debtors	8,781	150
	245,997	788,473

Amounts due from other group companies are unsecured, interest free and repayable on demand.
Other debtor amount is accrued income related to Government furlough grant.

11 – Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	182,357	351,926
Taxes and social security	189,927	183,206
Other creditors	200,059	200,059
Accruals and deferred income	101,761	320,629
	674,104	1,055,820

Other creditors represent amounts owed for deferred payments due by the company. Amounts due from other group companies are unsecured, interest free and repayable on demand.

Of the £189,927 taxes and social security amount, £46,484 is corporation tax and £99,986 is deferred VAT due to the onset of COVID-19, which the company will avail of the HMRC deferred VAT repayment plan in FY22.

Badaboom Ltd

Notes to the financial statements – continued

12 – Provisions for liabilities and charges - deferred tax

Recognised deferred tax (assets) / liabilities

Deferred tax (assets) / liabilities are attributable to the following:

	Assets	Assets	Liabilities	Liabilities	Net	Net
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Tangible fixed assets	-	-	4,342	4,636	4,342	4,636
Losses	(8,011)	-	-	-	(8,011)	-
Other timing differences	(648)	(1,160)	-	-	(648)	(1,160)
	<u>(8,659)</u>	<u>(1,160)</u>	<u>4,342</u>	<u>4,636</u>	<u>(4,317)</u>	<u>3,476</u>

Movements in deferred tax during the year

	1 March	Recognised	28 February
	2020	in income	2021
	£	£	£
Tangible fixed assets	4,636	(294)	4,342
Losses	-	(8,011)	(8,011)
Other timing differences	(1,160)	512	(648)
	<u>3,476</u>	<u>(7,793)</u>	<u>(4,317)</u>

Movements in deferred tax during the prior year

	1 March	Recognised	28 February
	2019	in income	2020
	£	£	£
Tangible fixed assets	6,349	(1,713)	4,636
Other timing differences	(10,450)	9,290	(1,160)
	<u>(4,101)</u>	<u>7,577</u>	<u>3,476</u>

Badaboom Ltd

Notes to the financial statements – continued

13 – Share Capital

	2021	2020
	£	£
Allotted, called up & fully paid:		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	<u>100</u>	<u>100</u>

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 meetings of the company.

14 – Related parties

During the year, rental payments totalling £76,196 (2020: £5,333) in respect of the company's rented premises were made by the company at normal market prices to the parent company Tennent Caledonian Breweries UK Ltd. The balance payable outstanding at 28 February 2021 was £Nil (2020: £Nil).

15 – Commitments under operating leases

Annual amounts payable under non-cancellable operating leases at 28 February 2021 are payable as follows:

	2021	2020
	£	£
Rental Charges		
Within one year	7,370	25,041
Within two to five years	<u>18,620</u>	<u>31,134</u>
	<u>25,990</u>	<u>56,175</u>

16 – Commitments due to defined contribution pension scheme

The company operated a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £37,354 (2020: £36,673). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

17 – Post Balance Sheet Events

The company has undertaken an assessment and have identified there to be no post balance sheet events have occurred since year end.

18 - FRS 102 Reduced Disclosure Exemptions

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements:

- Section 3 Financial Statement Presentation paragraph 3.17(d);
- Section 7 Statement of Cash Flows;
- Section 11 Financial Instruments paragraphs 11.42 to 11.48A;
- Section 12 Other Financial Instruments paragraphs 12.26 to 12.29; and
- Section 33 Related Party Disclosures paragraph 33.7.

Badaboom Ltd

Notes to the financial statements – continued

The information is disclosed in the consolidated financial statements of C&C Group plc, available from the address in note 19.

19 – Ultimate parent undertaking

The company's intermediate parent undertaking is Tennent Caledonian Breweries UK Limited. The company's ultimate parent undertaking and controlling party is C&C Group Plc, a company registered in the Republic of Ireland. The smallest and largest group in which the results of the company are consolidated is that headed by C&C Group Plc. and the consolidated financial statements are filed in the Companies Registration Office at 14 Parnell Square, Dublin 1, Republic of Ireland.