

Company Registration No. 00472265 (England and Wales)

C F BOOTH LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019



C F BOOTH LIMITED

COMPANY INFORMATION

Directors	C K F Booth J H Booth J K Booth S F Booth
Company number	00472265
Registered office	Clarence Metal Works Armer Street Rotherham S60 1AF
Auditor	Ernst & Young LLP 1 Bridgewater Place Water Lane Leeds LS11 5QR

C F BOOTH LIMITED

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C F BOOTH LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present the strategic report for the year ended 31 March 2019.

Business Review

Following the re-financing and share buy back in the year to 31 March 2018, the year ended 31 March 2019 was a year of consolidation in which group sales were constant at £138.6m compared to £139.8m in the previous financial year. Volumes of materials sold for the main CF Booth business were 107,600 tonnes which was 2% down on the previous year. Metal prices remained buoyant during 2018 and 2019 and prices were on average slightly higher than the previous year.

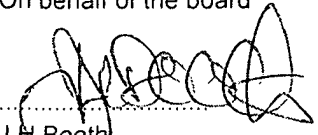
An analysis of group turnover between the different classes of business is given in note 4 to the financial statements. The group trades predominantly with assets linked to commodity prices and as a result it is highly exposed to movements in the price of metals. Exports represent 43% of total sales which is slightly lower than 2018 (45%). Uncertainties over Brexit continues to create volatility in exchange rates and this also has had an impact on commodity prices. Market conditions remain challenging.

Principal risks and uncertainties

The group has a comprehensive system of risk management to enable the Board to identify, evaluate and manage potential risks and uncertainties that could have a material impact on the group's performance.

The principal risks and uncertainties facing the group are the supply of and demand for non-ferrous metals and the volatility of their prices. In response to the risks of exchange rate movements, the group contracts for the conversion of any foreign currency receipts in excess of foreign currency payments at the time of the sale.

On behalf of the board


.....
J H Booth
Director
.....
26/9/19

C F BOOTH LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Principal activities

The principal activity of the group continued to be metal recycling. Other activities include demolition and engineering companies.

Directors

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

C K F Booth

J H Booth

J K Booth

S F Booth

C T Wilkinson

(Resigned 30 March 2019)

Results and dividends

The results for the year are set out on page 6. The directors do not recommend payment of a final dividend.

Auditor

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

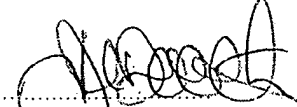
Statement of disclosure to auditor

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 auditor of the company 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 auditor of the company is aware of that information.

Going Concern

The financial statements have been prepared on a going concern basis. The group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report. Having reviewed the budgets and projections of the group, and after taking account of current and forecast trading performance, the directors believe they have reasonable grounds for stating that the group has adequate resources to continue in operational existence for the foreseeable future and that it is appropriate to prepare the financial statements of the group and the company on a going concern basis.

On behalf of the board



J H Booth

Director

26/9/19

C F BOOTH LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2019

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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF C F BOOTH LIMITED

Opinion

We have audited the financial statements of C F Booth Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and the related notes 1 to 29, 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 state of the group's and the parent company's affairs as at 31 March 2019 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, 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 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 or a material misstatement of the other information. 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 year 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF C F BOOTH LIMITED

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement as set out on page 3, 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 group's and the parent 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 group or the parent 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 for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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

Catherine Hackney (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Leeds

30.09.2019

C F BOOTH LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £000	2018 £000
Turnover	3	138,596	139,841
Change in stocks of finished goods		667	(433)
Raw materials and consumables		(108,664)	(110,485)
Staff costs		(10,692)	(9,868)
Other operating charges		(14,647)	(13,850)
Other external charges		(2,642)	(1,761)
Depreciation		(1,879)	(2,312)
		(137,857)	(138,709)
Operating profit	4	739	1,132
Interest payable and similar expenses	8	(966)	(556)
(Loss)/profit before taxation		(227)	576
Taxation	9	380	385
Profit for the financial year		153	961

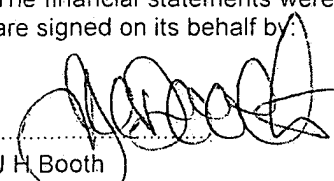
Comprehensive income for the year is all attributable to the owners of the parent company.

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

C F BOOTH LIMITED
GROUP BALANCE SHEET
AS AT 31 MARCH 2019

		2019		2018	
	Notes	£000	£000	£000	£000
Fixed assets					
Tangible assets	10		11,781		12,314
Current assets					
Stocks	14	18,315		16,154	
Debtors	15	21,858		25,385	
Cash at bank and in hand		86		67	
		<u>40,259</u>		<u>41,606</u>	
Creditors: amounts falling due within one year	16	(26,746)		(27,176)	
Net current assets			<u>13,513</u>		<u>14,430</u>
Total assets less current liabilities			<u>25,294</u>		<u>26,744</u>
Creditors: amounts falling due after more than one year	17		(9,731)		(11,319)
Provisions for liabilities	20		(249)		(264)
Net assets			<u>15,314</u>		<u>15,161</u>
Capital and reserves					
Called up share capital	23		37		37
Revaluation reserve			760		760
Capital redemption reserve			13		13
Profit and loss reserves			<u>14,504</u>		<u>14,351</u>
Total equity			<u>15,314</u>		<u>15,161</u>

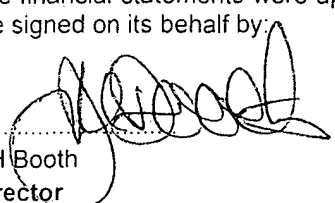
The financial statements were approved by the board of directors and authorised for issue on 26/9/19 and are signed on its behalf by:


 J H Booth
 Director

C F BOOTH LIMITED
COMPANY BALANCE SHEET
AS AT 31 MARCH 2019

	Notes	2019 £000	£000	2018 £000	£000
Fixed assets					
Tangible assets	10		7,663		8,100
Investments	11		223		253
			<u>7,886</u>		<u>8,353</u>
Current assets					
Stocks	14	16,114		14,449	
Debtors	15	17,620		20,127	
Cash at bank and in hand		71		51	
		<u>33,805</u>		<u>34,627</u>	
Creditors: amounts falling due within one year	16	<u>(32,192)</u>		<u>(32,579)</u>	
Net current assets			<u>1,613</u>		<u>2,048</u>
Total assets less current liabilities			<u>9,499</u>		<u>10,401</u>
Creditors: amounts falling due after more than one year	17		(7,400)		(8,616)
Provisions for liabilities	21		<u>(128)</u>		<u>(128)</u>
Net assets			<u>1,971</u>		<u>1,657</u>
Capital and reserves					
Called up share capital	23		37		37
Revaluation reserve			819		819
Capital redemption reserve			13		13
Profit and loss reserves			<u>1,102</u>		<u>788</u>
Total equity			<u>1,971</u>		<u>1,657</u>

The financial statements were approved by the board of directors and authorised for issue on 26/9/19 and are signed on its behalf by:


 J H Booth
 Director

Company Registration No. 00472265

C F BOOTH LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Share capital £000	Revaluation reserve £000	Capital redemption reserve £000	Profit and loss reserves £000	Total £000
Balance at 1 April 2017		50	760	-	18,612	19,422
Year ended 31 March 2018:						
Profit and total comprehensive income for the year		-	-	-	961	961
Redemption of shares	23	(13)	-	13	(5,222)	(5,222)
Balance at 31 March 2018		37	760	13	14,351	15,161
Year ended 31 March 2019:						
Profit and total comprehensive income for the year		-	-	-	153	153
Balance at 31 March 2019		37	760	13	14,504	15,314

C F BOOTH LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	Share capital £000	Revaluation reserve £000	Capital redemption reserve £000	Profit and loss reserves £000	Total £000
Balance at 1 April 2017	30	50	819	-	4,672	5,541
Year ended 31 March 2018:						
Profit and total comprehensive income for the year		-	-	-	1,338	1,338
Redemption of shares	23	(13)	-	13	(5,222)	(5,222)
Balance at 31 March 2018		37	819	13	788	1,657
Year ended 31 March 2019:						
Profit and total comprehensive income for the year		-	-	-	314	314
Balance at 31 March 2019		37	819	13	1,102	1,971

C F BOOTH LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

		2019	2018
	Notes	£000	£000
Cash flows from operating activities			
Cash generated from operations	28	3,869	659
Income taxes refunded		59	3
Net cash inflow from operating activities		<u>3,928</u>	<u>662</u>
Investing activities			
Purchase of tangible fixed assets		(854)	(1,585)
Proceeds on disposal of tangible fixed assets		533	1,307
Proceeds on disposal of property held for sale		23	337
Net cash (used in)/generated from investing activities		<u>(298)</u>	<u>59</u>
Financing activities			
Interest paid		(966)	(556)
Company purchase of own shares		-	(5,222)
Proceeds from borrowings		-	13,856
Repayment of borrowings		(2,219)	(373)
Payment of finance lease obligations		(50)	-
Net cash (used in)/generated from financing activities		<u>(3,235)</u>	<u>7,705</u>
Net increase in cash and cash equivalents		<u>395</u>	<u>8,426</u>
Cash and cash equivalents at beginning of year		<u>(12,819)</u>	<u>(21,245)</u>
Cash and cash equivalents at end of year		<u><u>(12,424)</u></u>	<u><u>(12,819)</u></u>
Relating to:			
Cash at bank and in hand		86	67
Invoice discounting facility		(11,810)	(12,064)
Bank overdrafts		<u>(700)</u>	<u>(822)</u>

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

C F Booth Limited ("the company") is a limited liability company domiciled and incorporated in England and Wales. The registered office is Clarence Metal Works, Armer Street, Rotherham, S60 1AF.

The group consists of C F Booth Limited and all of its subsidiaries.

1.1 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 have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

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 £000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £314,000 (2018: £1,338,000).

The consolidated financial statements incorporate those of C F Booth Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.2 Going concern

Having reviewed the budgets and projections of the group, and after taking account of current and forecast trading performance and the re-financing of the group debt, the directors believe they have reasonable grounds for stating that the group has adequate resources to continue in operational existence for the foreseeable future and that it is appropriate to prepare the financial statements of the group and the company on a going concern basis.

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

1.3 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 intra-group transactions.

1.4 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:

Freehold buildings	50 years
Long leasehold property	50 years
Plant and equipment	5-10 years
Office equipment	10 years
Skips and trailers	10 years
Motor lorries	5 years
Motor cars	4 years

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 recognised in the profit and loss account.

1.5 Fixed asset investments

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

1.6 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible 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.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items. In the case of finished goods and work in progress, cost includes direct labour and an appropriate proportion of production overheads. The allocation of manufacturing fixed overheads has regard to budgeted normal production.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash at bank and in hand

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.

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

1.9 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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 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.

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 group 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, bank loans 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.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate.

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Derecognition of financial liabilities

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

1.10 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 group'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 if, and only if, there is 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.

1.11 Provisions

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

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.

1.12 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.

1.13 Retirement benefits

The C F Booth Limited group operates defined contribution pension schemes. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the schemes.

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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 leased asset are consumed.

1.15 Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Revenue grants are released to profit over the life of the project to which they relate.

1.16 Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

1.17 Research and development

Research and development expenditure is written off as incurred.

2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2019	2018
	£000	£000
Turnover		
Metal recycling	132,152	132,928
Other activities	6,444	6,913
	<u>138,596</u>	<u>139,841</u>

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

3 Turnover and other revenue

Turnover analysed by geographical market

	2019 £000	2018 £000
United Kingdom	79,679	76,639
Outside the United Kingdom	58,917	63,202
	<u>138,596</u>	<u>139,841</u>

4 Operating profit

	2019 £000	2018 £000
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	1,842	2,312
Depreciation of tangible fixed assets held under finance leases	42	-
Profit on disposal of tangible fixed assets	(134)	(496)
Profit on disposal of assets held for sale	(23)	(207)
Loss/(gain) arising on changes in the fair value of derivative financial instruments	99	(29)
Foreign exchange (gains)/losses	(64)	11
Rental income	(120)	(127)
Correction to raw materials stock due to accounting error	-	434
Operating lease charges - plant and machinery	<u>1,055</u>	<u>699</u>

5 Auditor's remuneration

	2019 £000	2018 £000
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	41	62
Audit of the financial statements of the company's subsidiaries	<u>38</u>	<u>37</u>
	<u>79</u>	<u>99</u>
For other services		
Taxation compliance services	47	46
Other taxation services	<u>119</u>	<u>54</u>
	<u>166</u>	<u>100</u>

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

6 Employees

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

	2019 Number	2018 Number
Management	14	13
Administration	55	44
Production	207	208
Distribution	39	40
	<u>315</u>	<u>305</u>

Their aggregate remuneration comprised:

	2019 £000	2018 £000
Wages and salaries	9,542	8,820
Social security costs	974	901
Pension costs	180	147
	<u>10,696</u>	<u>9,868</u>

7 Directors' remuneration

	2019 £000	2018 £000
Remuneration for qualifying services	553	499
Company pension contributions to defined contribution schemes	13	13
	<u>566</u>	<u>512</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2018: 3).

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

	2019 £000	2018 £000
Remuneration for qualifying services	<u>182</u>	<u>156</u>

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

8 Interest payable and similar expenses

	2019 £000	2018 £000
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	955	556
Other finance costs:		
Interest on finance leases and hire purchase contracts	11	-
Total finance costs	<u>966</u>	<u>556</u>

9 Taxation

	2019 £000	2018 £000
Current tax		
Adjustment in respect of previous periods	(377)	(91)
Deferred tax		
Origination and reversal of timing differences	46	(298)
Changes in tax rates	(5)	1
Adjustment in respect of previous periods	(44)	3
Total deferred tax	<u>(3)</u>	<u>(294)</u>
Total tax credit	<u>(380)</u>	<u>(385)</u>

The actual credit for the year can be reconciled to the expected (credit)/charge based on the (loss)/profit and the standard rate of tax as follows:

	2019 £000	2018 £000
(Loss)/profit before taxation	<u>(227)</u>	<u>576</u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(43)	109
Expenses not deductible	80	62
Gains not taxable	(4)	52
Change in unrecognised deferred tax assets	13	(604)
Adjustment in respect of previous periods	(422)	(5)
Effect of change in corporation tax rate	(5)	1
Tax credit for the year	<u>(381)</u>	<u>(385)</u>

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Taxation

The corporation tax rate for the year is 19%. The corporation tax rate will reduce to 17% from 1 April 2020. Deferred tax has been provided at the rates that are expected to apply to the reversal of the timing differences which give rise to the deferred tax.

Deferred tax has been provided at 19% on losses, as the losses on which deferred tax has been recognised are expected to be utilised before 1 April 2020.

Deferred tax on all other timing differences has been provided at 17% since this rate was substantively enacted at the balance sheet date and is expected to apply to the reversal of these differences.

10 Tangible fixed assets

Group	Freehold property	Tip restoration	Plant, equipment and vehicles	Total
	£000	£000	£000	£000
Cost or valuation				
At 1 April 2018	5,333	232	33,372	38,937
Additions	23	-	1,727	1,750
Disposals	-	-	(1,914)	(1,914)
At 31 March 2019	5,356	232	33,185	38,773
Depreciation and impairment				
At 1 April 2018	1,633	232	24,758	26,623
Depreciation charged in the year	89	-	1,795	1,884
Eliminated in respect of disposals	-	-	(1,515)	(1,515)
At 31 March 2019	1,722	232	25,038	26,992
Carrying amount				
At 31 March 2019	3,634	-	8,147	11,781
At 31 March 2018	3,700	-	8,614	12,314

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Tangible fixed assets

Company	Freehold property £000	Plant, equipment and vehicles £000	Total £000
Cost or valuation			
At 1 April 2018	5,221	18,055	23,276
Additions	7	607	614
Disposals	-	(312)	(312)
At 31 March 2019	5,228	18,350	23,578
Depreciation and impairment			
At 1 April 2018	1,596	13,580	15,176
Depreciation charged in the year	85	835	920
Eliminated in respect of disposals	-	(181)	(181)
At 31 March 2019	1,681	14,234	15,915
Carrying amount			
At 31 March 2019	3,547	4,116	7,663
At 31 March 2018	3,625	4,475	8,100

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2019 £000	2018 £000	Company 2019 £000	2018 £000
Plant and equipment	933	-	354	-
Depreciation charge for the year in respect of leased assets	42	-	28	-

Revaluations of the group's freehold property, on an open market value for existing use basis, took place in 1978, 1980, 1982 and 1985 by Henry Spencer & Sons, chartered surveyors. These valuations did not include any notional directly attributable acquisition costs or allow for expected selling costs.

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

10 Tangible fixed assets

If freehold land and buildings were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	Group		Company	
	2019	2018	2019	2018
	£000	£000	£000	£000
Cost	4,598	4,575	4,470	4,463
Accumulated depreciation	1,244	1,166	1,233	1,160
Carrying value	<u>3,354</u>	<u>3,409</u>	<u>3,237</u>	<u>3,303</u>

Freehold property includes land at a valuation of £1,109,000 (2018: £1,109,000) which has not been depreciated.

The tip restoration asset represents the estimated cost of restoring a waste disposal site at the end of its useful life.

11 Fixed asset investments

Company	Notes	2019 £000	2018 £000
Investments in subsidiaries	12	223	253
		<u>223</u>	<u>253</u>

Movements in fixed asset investments

	Shares in subsidiary undertakings £000
Cost or valuation	
At 1 April 2018	253
Liquidation of subsidiaries	(30)
At 31 March 2019	<u>223</u>
Carrying amount	
At 31 March 2019	<u>223</u>
At 31 March 2018	<u>253</u>

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

12 Subsidiaries

Details of the company's subsidiaries at 31 March 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Albion Jones Limited	England	Demolition, Excavation and metal recycling	Ordinary Shares		100.00
Booth Doncaster (Non-Ferrous & Alloys) Limited	England	Non Trading	Ordinary Shares	100.00	
Booth Roe Metals Limited	England	Non Trading	Ordinary Shares	100.00	
Booth Stainless & Nickel Alloys Limited	England	Non Trading	Ordinary Shares	100.00	
Booth Steel Stockholders Limited	England	Steel Stockholders	Ordinary Shares	100.00	
Booth Transport Limited	England	Transport	Ordinary Shares	100.00	
C F Booth (Doncaster) Limited	England	Metal Recycling	Ordinary Shares	100.00	
C F Booth (Engineering) Limited	England	Engineering	Ordinary Shares	100.00	
Demex Limited	England	Demolition, Excavation and Metal Recycling	Ordinary Shares	100.00	
Hooton Lodge Limited	England	Non Trading	Ordinary Shares	100.00	
North Derbyshire Metal Products Limited	England	Non Trading	Ordinary Shares	100.00	
Northfield Aluminium Limited	England	Non-ferrous ingot manufacture	Ordinary Shares	100.00	
Rotherham Stainless & Nickel Alloys Limited	England	Non Trading	Ordinary Shares	100.00	
Thorpe Waste Removals Limited	England	Non Trading	Ordinary Shares	100.00	

13 Financial instruments

	Group 2019 £000	2018 £000	Company 2019 £000	2018 £000
Carrying amount of financial assets				
Instruments measured at fair value through profit or loss	-	45	-	45
Carrying amount of financial liabilities				
Measured at fair value through profit or loss				
- Derivative financial instruments	54	-	54	-

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

14 Stocks

	Group		Company	
	2019	2018	2019	2018
	£000	£000	£000	£000
Raw materials and consumables	13,604	12,053	12,790	11,388
Work in progress	200	229	198	220
Finished goods and goods for resale	4,511	3,872	3,126	2,841
	<u>18,315</u>	<u>16,154</u>	<u>16,114</u>	<u>14,449</u>

15 Debtors

	Group		Company	
	2019	2018	2019	2018
	£000	£000	£000	£000
Amounts falling due within one year:				
Trade debtors	17,919	21,969	14,263	16,882
Corporation tax recoverable	412	94	154	43
Amounts due from fellow group undertakings	-	-	728	779
Derivatives	-	45	-	45
VAT recoverable	1,272	843	1,408	1,169
Other debtors	487	676	132	306
Prepayments and accrued income	1,075	1,068	650	618
	<u>21,165</u>	<u>24,695</u>	<u>17,335</u>	<u>19,842</u>
Amounts falling due after one year:				
Deferred tax asset (note 21)	693	690	285	285
	<u>21,858</u>	<u>25,385</u>	<u>17,620</u>	<u>20,127</u>

16 Creditors: amounts falling due within one year

		Group		Company	
		2019	2018	2019	2018
	Notes	£000	£000	£000	£000
Bank loans and overdrafts	18	14,680	15,050	12,881	14,554
Obligations under finance leases	19	209	-	108	-
Trade creditors		7,989	4,508	6,688	3,767
Amounts due to group undertakings		-	-	9,167	7,424
Other taxation and social security		293	354	139	107
Derivatives		54	-	54	-
Other creditors		1,347	1,513	1,267	1,462
Accruals and deferred income		2,174	5,751	1,888	5,265
		<u>26,746</u>	<u>27,176</u>	<u>32,192</u>	<u>32,579</u>

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

17 Creditors: amounts falling due after more than one year

	Notes	Group 2019 £000	2018 £000	Company 2019 £000	2018 £000
Bank loans and overdrafts	18	9,094	11,319	7,166	8,616
Obligations under finance leases	19	637	-	234	-
		<u>9,731</u>	<u>11,319</u>	<u>7,400</u>	<u>8,616</u>

18 Loans and overdrafts

	Group 2019 £000	2018 £000	Company 2019 £000	2018 £000
Bank loans	23,074	25,547	19,280	20,730
Bank overdrafts	700	822	767	2,440
	<u>23,774</u>	<u>26,369</u>	<u>20,047</u>	<u>23,170</u>
Payable within one year	14,680	15,050	12,881	14,554
Payable after one year	9,094	11,319	7,166	8,616

The long-term loans are secured by fixed charges over freehold property and plant and machinery.

The long term debt facility is committed to January 2021 and is re-payable in instalments over a five year period ending January 2023.

The interest rates on the loans range between 2.55% and 2.90% over 3 month LIBOR.

19 Finance lease obligations

	Group 2019 £000	2018 £000	Company 2019 £000	2018 £000
Future minimum lease payments due under finance leases:				
Within one year	209	-	108	-
In two to five years	637	-	234	-
	<u>846</u>	<u>-</u>	<u>342</u>	<u>-</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period; and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

20 Provisions for liabilities

		Group		Company	
	Notes	2019	2018	2019	2018
		£000	£000	£000	£000
Tip restoration provision		121	136	-	-
Deferred tax liabilities	21	128	128	128	128
		<u>249</u>	<u>264</u>	<u>128</u>	<u>128</u>

Movements on provisions apart from deferred tax liabilities:

	Tip restoration provision
Group	£000
At 1 April 2018	136
Reversal of provision	(15)
At 31 March 2019	<u>121</u>

21 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances for financial reporting purposes:

	Liabilities	Liabilities	Assets	Assets
	2019	2018	2019	2018
Group	£000	£000	£000	£000
Accelerated capital allowances	-	-	408	405
Tax losses	-	-	285	285
Revaluation of freehold property	128	128	-	-
	<u>128</u>	<u>128</u>	<u>693</u>	<u>690</u>

	Liabilities	Liabilities	Assets	Assets
	2019	2018	2019	2018
Company	£000	£000	£000	£000
Tax losses	-	-	285	285
Revaluation of freehold property	128	128	-	-
	<u>128</u>	<u>128</u>	<u>285</u>	<u>285</u>

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

21 Deferred taxation

	Group 2019 £000	Company 2019 £000
Movements in the year:		
Asset at 1 April 2018	562	157
Charge to profit and loss	(41)	-
Adjustment in respect of previous years	44	-
	<u>565</u>	<u>157</u>
Asset at 31 March 2019		

22 Retirement benefit schemes

	2019 £000	2018 £000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>180</u>	<u>147</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

23 Share capital

	Group and company	
	2019 £000	2018 £000
Ordinary share capital		
Issued and fully paid		
36,907 Ordinary shares of £1 each	<u>37</u>	<u>37</u>

24 Operating lease commitments

At 31 March 2019 the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2019 £000	2018 £000	2019 £000	2018 £000
Within one year	-	14	-	14
Between two and five years	<u>54</u>	<u>54</u>	<u>54</u>	<u>54</u>
	<u>54</u>	<u>68</u>	<u>54</u>	<u>68</u>

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

25 Contingent liabilities

The company has joint and several liability for all amounts due by its subsidiary undertakings to H M Revenue and Customs under a Group VAT registration agreement. At 31 March 2019, the total potential liability amounted to £130,000 (2018: £325,000).

The directors are of the opinion that no loss to the company will arise from the above.

The company has received a notice of penalty assessment from HM Revenue and Customs of a charge to VAT penalties in relation to historic VAT enquiries at an amount of £1.4m. The directors, after taking appropriate professional advice, have appealed against the assessment and the decision to issue it, in both the quantum and the nature of the notice and are, and will continue to, vigorously contest this. They believe that the amount should be significantly reduced if not withdrawn altogether. At this time it is not possible to make a reliable estimate of any penalty that may be payable as it is too early in the appeal proceedings to do so.

26 Related party transactions

In accordance with FRS 102 Section 33.1A the company is not required to disclose transactions with members of the C F Booth Limited group of companies.

Mr C K F Booth and Mr J H Booth, both being directors of the company, provided loans to the company. The balances at 1 April 2018 were £1,090,000 to Mr C K F Booth and £11,000 to Mr J H Booth. At 31 March 2019 the company owed £390,000 to Mr C K F Booth and £11,000 to Mr J H Booth in respect of these loans.

27 Controlling party

The ultimate controlling parties of the company are Mr C K F Booth and Mr J H Booth.

28 Cash generated from group operations

	2019 £000	2018 £000
Profit for the year after tax	153	961
Adjustments for:		
Taxation credited	(380)	(385)
Interest payable	966	556
Profit on disposal of tangible fixed assets	(134)	(496)
Profit on disposal of property held for sale	(23)	(207)
Depreciation and impairment of tangible fixed assets	1,884	2,312
(Decrease) in provisions	(15)	-
Movements in working capital:		
(Increase)/decrease in stocks	(2,161)	596
Decrease/(increase) in debtors	3,848	(6,463)
(Decrease)/increase in creditors	(269)	3,785
Cash generated from operations	3,869	659

C F BOOTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

29 Analysis of changes in group net debt

	1 April 2018	Cash flows	New finance leases	31 March 2019
	£000	£000	£000	£000
Cash at bank and in hand	67	19	-	86
Bank overdrafts	(822)	122	-	(700)
	(755)	141	-	(614)
Borrowings excluding overdrafts	(25,547)	2,473	-	(23,074)
Obligations under finance leases	-	50	(896)	(846)
	(26,302)	2,664	(896)	(24,534)