

Company registration number 03882967 (England and Wales)

**BOOTH DISPENSERS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

## **BOOTH DISPENSERS LIMITED**

### **COMPANY INFORMATION**

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<b>Directors</b>	Mr M A Williams Mr D J Hatton Mr M I Richardson
<b>Company number</b>	03882967
<b>Registered office</b>	Moor Park Avenue Bispham Blackpool FY2 0LZ
<b>Auditor</b>	MHA Moore and Smalley Richard House 9 Winckley Square Preston PR1 3HP

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## **BOOTH DISPENSERS LIMITED**

### **CONTENTS**

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	<b>Page</b>
Strategic report	1 - 2
Directors' report	3
Directors' responsibilities statement	4
Independent auditor's report	5 - 7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Notes to the financial statements	11 - 25

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## **BOOTH DISPENSERS LIMITED**

### **STRATEGIC REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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The directors present the strategic report for the year ended 31 December 2022.

#### **Review of the business**

2022 was a year of stabilisation for the business. The Russian invasion of Ukraine initially created economic uncertainty and supply chain disruption which was difficult to navigate.

The disruption affected sales until June and from then normal trading conditions resumed.

Material supply has been problematic since Brexit and throughout the pandemic. The war saw a continuation of these problems and consequently meant we had to over order stock to secure supply.

Having noted the above, 2022 was the company's best turnover year, beating the previous best (2019) by nearly £2 million.

#### **Principal risks and uncertainties**

As per the previous audited accounts the risks are in the supply chain. Towards the later part of 2022 we have started to see price decreases from our raw material suppliers and this has continued into 2023. We have also bolstered the purchasing team with an experienced Purchasing Manager and are currently recruiting for another buyer.

There is still uncertainty around some of the customer base and their ability to trade back to pre-pandemic levels. The larger corporate customers are seeking cost reduction which is challenging to manage.

#### **Health and Safety Risk**

The Health and Safety teams (higher level and operational tier) are continuing to follow HSE legislation changes via the LUS service. The higher and lower tier H&S teams meet once a month. There are no new significant changes in procedure or equipment in 2022 that have generated high risk.

#### **Regulatory Risk**

The company (headed by the Quality Manager) continues to improve our management systems and we hold ISO9001 QMS accreditation with audit's being conducted every six months. This accreditation takes a risk-based approach to every area of operational process. The importance of this standard is to align the company direction and processes with staff development which is of utmost importance to business growth.

#### **Development and performance**

As was the case in 2021 the company's four main strategic aims are: developing our repair and refurbishment operation, exploiting niche refrigeration products focussing in on new markets whilst reducing environmental impacts, committing heavily to R&D to develop marketing leading product and finally, utilising lean practices to increase profitability whilst working with our supply chain to develop better solutions and drive cost down.

We have embarked on a project that will allow our customer to dispense tonic water through a machine rather than supplying bottled product to their customers. We are in the process of evolving and rebranding our soft drinks cooler range with a 2024 launch. Additional products are being developed to add to our Venom range of tabletop beer dispense units. Finally, we are working in collaboration with a large multinational to evolve beer dispense machines making them more efficient using new design concepts.

#### **Key performance indicators**

The factory efficiency KPI was impacted in quarters one and two producing a 6 month result of 49.8%. The remaining 6 months produced an efficiency of 55.6% giving a 52.7% average. The efficiency target was 60%. As in 2021, the inconsistency of material supply made this figure unachievable in the year.

## **BOOTH DISPENSERS LIMITED**

### **STRATEGIC REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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##### **Future developments**

In 2022 we employed a Quality Manager with a lean manufacturing background, we have started to see the benefits of his introduction within New Product Introduction (NPI) process.

Towards the end of 2022 we began a project to move our ERP (Enterprise Resource Planning) system to a brand new product which has enhanced MRP and CRM capabilities. This system will allow the company to better automate process and provide a better experience for both staff and customers.

In late 2023 we aim to have taken receipt of a new Laser Cutting Machine to complement our Punch Presses and Pipe Benders, not only will this grant us more options in terms of product design it will also allow us to offer a complete package of CNC services to new customers outside of our core refrigeration equipment sales.

On behalf of the board

**Mr D J Hatton**  
**Director**

29 September 2023

## **BOOTH DISPENSERS LIMITED**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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The directors present their annual report and financial statements for the year ended 31 December 2022.

#### **Principal activities**

The principal activity of the company in the year under review was that of the manufacture and assembly of cold soft drink and beer dispensing equipment and the supply of ancillary equipment to the brewing and soft drinks sectors. Additional activities include the sub-contract assembly of equipment and repairs of all makes of dispense and vending refrigeration.

#### **Results and dividends**

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

Ordinary dividends were paid amounting to £317,161. The directors do not recommend payment of a further dividend.

#### **Directors**

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

Mr M A Williams

Mr D J Hatton

Mr D A McKee

(Resigned 31 March 2022)

Mr M I Richardson

#### **Research and development**

The company invests substantial amounts each year on research and development and the costs are written off in the year they are incurred.

#### **Auditor**

The auditor, MHA Moore and Smalley, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Strategic report**

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

#### **Statement of disclosure to auditor**

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

On behalf of the board

**Mr D J Hatton**

**Director**

29 September 2023

## **BOOTH DISPENSERS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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

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

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

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

## **BOOTH DISPENSERS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF BOOTH DISPENSERS LIMITED**

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##### **Opinion**

We have audited the financial statements of Booth Dispensers Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit 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 at least twelve months from when the financial statements are authorised for issue.

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

##### **Other information**

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

We have nothing to report in this regard.



## **BOOTH DISPENSERS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF BOOTH DISPENSERS LIMITED**

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##### **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.

##### **Matters on which we are required to report by exception**

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

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

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

##### **Responsibilities of directors**

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

##### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, are detailed below:

## **BOOTH DISPENSERS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF BOOTH DISPENSERS LIMITED**

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- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading correspondence and obtaining certification of compliance from required accreditations such as ISO 9001, ISO 14001, WEEE, and Refcom;
- Reviewing board minutes; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.
- Review the risk of fraud in revenue recognition

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety, WEEE and compliance with the UK Companies Act. Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

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.

**Virginia Cooper**  
**Senior Statutory Auditor**  
**For and on behalf of MHA Moore and Smalley**  
**Chartered Accountants**  
**Statutory Auditor**

Richard House  
9 Winckley Square  
Preston  
PR1 3HP

29 September 2023

**BOOTH DISPENSERS LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022 £	2021 £
<b>Turnover</b>	<b>3</b>	13,062,304	10,487,922
Cost of sales		(9,312,365)	(7,282,143)
<b>Gross profit</b>		<u>3,749,939</u>	<u>3,205,779</u>
Administrative expenses		(3,301,289)	(2,768,166)
Other operating income		11,610	208,245
<b>Operating profit</b>	<b>4</b>	<u>460,260</u>	<u>645,858</u>
Interest receivable and similar income	<b>7</b>	189	34
Interest payable and similar expenses	<b>8</b>	(114,666)	(42,352)
<b>Profit before taxation</b>		<u>345,783</u>	<u>603,540</u>
Tax on profit	<b>9</b>	(20,991)	(69,813)
<b>Profit for the financial year</b>		<u><u>324,792</u></u>	<u><u>533,727</u></u>

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

**BOOTH DISPENSERS LIMITED****BALANCE SHEET****AS AT 31 DECEMBER 2022**

		<b>2022</b>		<b>2021</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Goodwill	<b>10</b>		68,276		42,899
Tangible assets	<b>11</b>		2,055,667		2,030,850
			<u>2,123,943</u>		<u>2,073,749</u>
<b>Current assets</b>					
Stocks	<b>13</b>	2,833,760		2,373,538	
Debtors	<b>14</b>	2,946,380		3,166,614	
Cash at bank and in hand		24,694		46,542	
		<u>5,804,834</u>		<u>5,586,694</u>	
<b>Creditors: amounts falling due within one year</b>	<b>15</b>	<u>(5,069,632)</u>		<u>(4,762,238)</u>	
<b>Net current assets</b>			<u>735,202</u>		<u>824,456</u>
<b>Total assets less current liabilities</b>			<u>2,859,145</u>		<u>2,898,205</u>
<b>Creditors: amounts falling due after more than one year</b>	<b>16</b>		(729,740)		(801,401)
<b>Provisions for liabilities</b>					
Deferred tax liability	<b>19</b>	<u>252,715</u>	<u>(252,715)</u>	<u>227,745</u>	<u>(227,745)</u>
<b>Net assets</b>			<u><u>1,876,690</u></u>		<u><u>1,869,059</u></u>
<b>Capital and reserves</b>					
Called up share capital	<b>21</b>		1,000		1,000
Profit and loss reserves			<u>1,875,690</u>		<u>1,868,059</u>
<b>Total equity</b>			<u><u>1,876,690</u></u>		<u><u>1,869,059</u></u>

The financial statements were approved by the board of directors and authorised for issue on 29 September 2023 and are signed on its behalf by:

**Mr D J Hatton**  
Director

**Company Registration No. 03882967**

**BOOTH DISPENSERS LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Share capital	Profit and loss reserves	Total
Notes	£	£	£
<b>Balance at 1 January 2021</b>	1,000	1,748,376	1,749,376
<b>Year ended 31 December 2021:</b>			
Profit and total comprehensive income for the year	-	533,727	533,727
Dividends	-	(414,044)	(414,044)
<b>Balance at 31 December 2021</b>	1,000	1,868,059	1,869,059
<b>Year ended 31 December 2022:</b>			
Profit and total comprehensive income for the year	-	324,792	324,792
Dividends	-	(317,161)	(317,161)
<b>Balance at 31 December 2022</b>	1,000	1,875,690	1,876,690

## **BOOTH DISPENSERS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **1 Accounting policies**

##### **Company information**

Booth Dispensers Limited is a private company limited by shares incorporated in England and Wales. The registered office is Moor Park Avenue, Bispham, Blackpool, FY2 0LZ.

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

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

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

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Booth Group Limited. These consolidated financial statements are available from its registered office, 101 Moor Park Avenue, Blackpool, FY2 0LZ.

##### **1.2 Going concern**

During the year the company was still facing the economic aftermath of the coronavirus pandemic. The market sectors the business operates in remained cautious.

The company is now in the capital repayment phase of the CBILS loans it took through the pandemic. The directors are of the opinion that the company currently has enough cash reserves and cash inflow to be able to repay these loans by the time they are due for repayment.

The company reported good results for the year and now with hopefully the worst of the pandemic behind them, the directors have forecast similarly profitable results for a period of at least 12 months from the date of signing the accounts.

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

## BOOTH DISPENSERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1 Accounting policies

(Continued)

##### 1.3 Turnover

Turnover represents amounts invoiced during the year, exclusive of Value Added Tax, for the manufacture and assembly of cold soft drink and beer dispensing equipment and the supply of ancillary equipment to the brewing and soft drinks sectors. Additional activities include the sub-contract assembly of equipment and repairs of all makes of dispense and vending refrigeration.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

##### 1.5 Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years.

##### 1.6 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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset, over its expected useful life, as follows:

Freehold property	4% on cost
Plant and machinery	10% - 25% on cost
Fixtures and fittings	10% on cost
Motor vehicles	25% on cost

Freehold land is not depreciated.

Included within Plant & Machinery are loose tools which are depreciated in full within 1 year.

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

##### 1.7 Impairment of fixed assets

At each reporting period end date, the company 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.

## BOOTH DISPENSERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1 Accounting policies

(Continued)

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

##### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

##### 1.9 Cash and cash equivalents

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

##### 1.10 Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

##### **Fair value measurement of financial instruments**

Cash and cash equivalents 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.

##### **Basic financial assets**

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

##### **Other financial assets**

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



## BOOTH DISPENSERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 1 Accounting policies

(Continued)

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

##### **Impairment of financial assets**

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

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

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

##### **Derecognition of financial assets**

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

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

## BOOTH DISPENSERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

#### 1 Accounting policies

(Continued)

##### **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, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Derecognition of financial liabilities**

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

#### 1.11 Equity instruments

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

#### 1.12 Taxation

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

##### **Current tax**

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

##### **Deferred tax**

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

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

## **BOOTH DISPENSERS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **1 Accounting policies**

**(Continued)**

##### **1.13 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.

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.

##### **1.14 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### **1.15 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 leases asset are consumed.

##### **1.16 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

##### **1.17 Foreign exchange**

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

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

## BOOTH DISPENSERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

#### 2 Judgements and key sources of estimation uncertainty

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

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

##### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

##### **Stock valuation**

Stock is valued at the lower cost and net realisable value. Net realisable value includes, where necessary, provisions for slow moving and obsolete stocks. Calculation of these provisions requires judgements to be made, which include forecast consumer demand, the promotional, competitive and economic environment and inventory loss trends.

##### **Depreciation**

In determining the appropriate depreciation rates for the Company's assets, management reviews the operating policies of the business and makes judgements as to the applicable useful economic lives of the assets, considering residual values.

#### 3 Turnover and other revenue

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

	2022	2021
	£	£
<b>Turnover analysed by geographical market</b>		
United Kingdom	10,354,737	8,226,359
Europe	2,030,125	1,785,941
Rest of world	677,442	475,622
	<u>13,062,304</u>	<u>10,487,922</u>
	2022	2021
	£	£
<b>Other revenue</b>		
Interest income	189	34
Grants received	-	146,313
	<u></u>	<u></u>

**BOOTH DISPENSERS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****4 Operating profit**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	32,544	(14,765)
Research and development costs	228,768	227,869
Government grants	-	(146,313)
Fees payable to the company's auditor for the audit of the company's financial statements	16,225	15,250
Depreciation of owned tangible fixed assets	200,802	191,711
Depreciation of tangible fixed assets held under finance leases	120,894	86,295
Profit on disposal of tangible fixed assets	(34,151)	(22,383)
Amortisation of intangible assets	9,628	6,129
Operating lease charges	115,351	110,635
	<b>=====</b>	<b>=====</b>

**5 Employees**

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

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Number of production staff	89	77
Number of distribution staff	21	20
Number of administrative staff	22	23
	<b>=====</b>	<b>=====</b>
Total	132	120
	<b>=====</b>	<b>=====</b>

Their aggregate remuneration comprised:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,817,530	2,358,252
Social security costs	233,725	181,056
Pension costs	95,363	90,694
	<b>=====</b>	<b>=====</b>
	3,146,618	2,630,002
	<b>=====</b>	<b>=====</b>

**6 Directors' remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	100,086	62,013
Company pension contributions to defined contribution schemes	30,552	35,634
	<b>=====</b>	<b>=====</b>
	130,638	97,647
	<b>=====</b>	<b>=====</b>

**BOOTH DISPENSERS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****6 Directors' remuneration****(Continued)**

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2021: 4).

**7 Interest receivable and similar income**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Interest income</b>		
Interest on bank deposits	189	34
	<u>189</u>	<u>34</u>

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	189	34
	<u>189</u>	<u>34</u>

**8 Interest payable and similar expenses**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	55,777	18,072
<b>Other finance costs:</b>		
Interest on finance leases and hire purchase contracts	20,492	14,703
Other interest	38,397	9,577
	<u>114,666</u>	<u>42,352</u>

**9 Taxation**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	1,303	38,482
Adjustments in respect of prior periods	55	(47,933)
Total current tax	<u>1,358</u>	<u>(9,451)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	19,633	76,916
Adjustment in respect of prior periods	-	2,348
Total deferred tax	<u>19,633</u>	<u>79,264</u>
Total tax charge	<u>20,991</u>	<u>69,813</u>

**BOOTH DISPENSERS LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2022****9 Taxation****(Continued)**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Profit before taxation	345,783	603,540
	<u>          </u>	<u>          </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	65,699	114,673
Tax effect of expenses that are not deductible in determining taxable profit	49,353	60,285
Tax effect of income not taxable in determining taxable profit	(93,687)	(109,500)
Adjustments in respect of prior years	(15)	(45,586)
Effect of change in corporation tax rate	4,729	54,659
Group relief	(5,088)	(4,718)
	<u>          </u>	<u>          </u>
Taxation charge for the year	20,991	69,813
	<u>          </u>	<u>          </u>

**10 Intangible fixed assets**

	<b>Goodwill</b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2022	1,121,877
Additions	35,005
	<u>          </u>
At 31 December 2022	1,156,882
	<u>          </u>
<b>Amortisation and impairment</b>	
At 1 January 2022	1,078,978
Amortisation charged for the year	9,628
	<u>          </u>
At 31 December 2022	1,088,606
	<u>          </u>
<b>Carrying amount</b>	
At 31 December 2022	68,276
	<u>          </u>
At 31 December 2021	42,899
	<u>          </u>

## BOOTH DISPENSERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 11 Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2022	1,203,281	2,495,328	191,722	409,255	4,299,586
Additions	9,406	168,160	25,133	157,612	360,311
Disposals	-	(29,804)	-	(153,562)	(183,366)
At 31 December 2022	1,212,687	2,633,684	216,855	413,305	4,476,531
<b>Depreciation and impairment</b>					
At 1 January 2022	272,681	1,714,648	96,918	184,489	2,268,736
Depreciation charged in the year	48,456	163,437	17,185	92,618	321,696
Eliminated in respect of disposals	-	(21,232)	-	(148,336)	(169,568)
At 31 December 2022	321,137	1,856,853	114,103	128,771	2,420,864
<b>Carrying amount</b>					
At 31 December 2022	891,550	776,831	102,752	284,534	2,055,667
At 31 December 2021	930,600	780,680	94,804	224,766	2,030,850

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

	2022 £	2021 £
Plant and machinery	488,546	443,438
Motor vehicles	281,075	221,094
Computer equipment	16,246	24,081
	785,867	688,613

Freehold land and buildings with a carrying amount of £891,550(2021: £930,600) have been pledged to secure borrowings of the company.

#### 12 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Brandels Limited	101 Moor Park Avenue, Blackpool, Lancashire, FY2 0LZ	Ordinary	100.00

Investment in the above subsidiary has been impaired to nil in a prior period, due to the subsidiary's net assets having a nil net book value.



# BOOTH DISPENSERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 13 Stocks

	2022 £	2021 £
Raw materials and consumables	1,738,560	1,287,128
Work in progress	425,534	470,029
Finished goods and goods for resale	669,666	616,381
	<u>2,833,760</u>	<u>2,373,538</u>

### 14 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	2,119,595	2,474,978
Amounts owed by group undertakings	723,255	528,000
Other debtors	1,887	-
Prepayments and accrued income	96,306	163,636
	<u>2,941,043</u>	<u>3,166,614</u>
Deferred tax asset (note 19)	5,337	-
	<u>2,946,380</u>	<u>3,166,614</u>

Trade debtors disclosed above are measured at amortised cost.

### 15 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans and overdrafts	17	1,954,900	1,623,640
Obligations under finance leases	18	203,706	175,679
Trade creditors		2,255,005	2,393,218
Corporation tax		1,355	38,479
Other taxation and social security		295,437	239,007
Other creditors		99,303	30,000
Accruals and deferred income		259,926	262,215
		<u>5,069,632</u>	<u>4,762,238</u>

The finance leases falling due within one year of £203,706 (2021: £175,679) are secured over the assets to which they relate.

## BOOTH DISPENSERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 16 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Bank loans and overdrafts	17	428,571	482,000
Obligations under finance leases	18	301,169	319,401
		<u>729,740</u>	<u>801,401</u>

The finance leases falling due after one year of £301,169 (2021: £319,401) are secured over the assets to which they relate.

#### 17 Loans and overdrafts

	2022 £	2021 £
Bank loans	910,571	982,000
Bank overdrafts	1,472,900	1,123,640
	<u>2,383,471</u>	<u>2,105,640</u>
Payable within one year	1,954,900	1,623,640
Payable after one year	428,571	482,000
	<u>1,954,900</u>	<u>1,623,640</u>

The long-term loans are secured by fixed and floating charges over the assets of the company.

#### 18 Finance lease obligations

	2022 £	2021 £
Future minimum lease payments due under finance leases:		
Within one year	203,706	175,679
In two to five years	301,169	319,401
	<u>504,875</u>	<u>495,080</u>

Finance lease payments represent rentals payable by the company 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 lease terms are between three and five years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

## BOOTH DISPENSERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 19 Deferred taxation

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

	Liabilities 2022 £	Liabilities 2021 £	Assets 2022 £	Assets 2021 £
<b>Balances:</b>				
ACAs	252,715	230,874	-	-
Short term timing differences	-	(3,129)	5,337	-
	<u>252,715</u>	<u>227,745</u>	<u>5,337</u>	<u>-</u>
<b>Movements in the year:</b>				2022 £
Liability at 1 January 2022				227,745
Charge to profit or loss				19,633
				<u>247,378</u>
Liability at 31 December 2022				

#### 20 Retirement benefit schemes

	2022 £	2021 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	95,363	90,694
	<u>95,363</u>	<u>90,694</u>

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

#### 21 Share capital

	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
"C" ordinary shares of £1 each	1,000	1,000	1,000	1,000
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

The holders of each class of share have equal voting rights and equal rights as to capital.

The holders of all classes of shares have equal rights as to income save that at any time the directors may resolve to declare a dividend on one class of share and not another class.

## BOOTH DISPENSERS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2022

#### 22 Operating lease commitments

##### Lessee

Operating lease payments represent rentals payable by the company for certain property and equipment. Leases are negotiated for an average term of 3 years for the equipment and 10 years for the property.

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

	2022 £	2021 £
Within one year	73,846	90,758
Between two and five years	224,005	267,130
In over five years	147,583	-
	<u>445,434</u>	<u>357,888</u>

#### 23 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2022 £	2021 £
Acquisition of tangible fixed assets	-	33,458
	<u>-</u>	<u>33,458</u>

#### 24 Related party transactions

##### Transactions with related parties

The company has chosen to claim exemptions available under Section 33 of FRS 102 which means that they are not required to disclose transactions with the parent company which they are wholly owned by.

#### 25 Ultimate controlling party

The ultimate holding company is Booth Group Ltd, incorporated in England and Wales with registered address of 101 Moor Park Avenue, Blackpool, Lancashire, FY2 0LZ.

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