

Registration number: 8970272

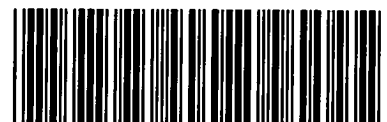
# Barrettine Holdings Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 December 2022

William Price & Co Ltd  
William Price & Co  
Westbury Court  
Church Road  
Bristol  
BS9 3EF

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## **Barrettine Holdings Limited**

### **Contents**

|   |          |
|---|----------|
| Company Information                         | 1        |
| Strategic Report                            | 2 to 3   |
| Directors' Report                           | 4        |
| Statement of Directors' Responsibilities    | 5        |
| Independent Auditor's Report                | 6 to 8   |
| Consolidated Profit and Loss Account        | 9        |
| Consolidated Balance Sheet                  | 10       |
| Balance Sheet                               | 11       |
| Consolidated Statement of Changes in Equity | 12       |
| Statement of Changes in Equity              | 13       |
| Consolidated Statement of Cash Flows        | 14       |
| Statement of Cash Flows                     | 15       |
| Notes to the Financial Statements           | 16 to 30 |
| Detailed Company Profit and Loss Account    | 31 to 32 |

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## **Barrettine Holdings Limited**

### **Company Information**

|                          |                        |
|--------------------------|------------------------|
| <b>Directors</b>         | S E Whiting            |
|                          | SH Bailey              |
|                          | CJ Bailey              |
|                          | CB Randall             |
| <b>Company secretary</b> | CB Randall             |
| <b>Registered office</b> | St Ivel Way            |
|                          | Warmley                |
|                          | Bristol                |
|                          | BS30 8TY               |
| <b>Auditors</b>          | William Price & Co Ltd |
|                          | William Price & Co     |
|                          | Westbury Court         |
|                          | Church Road            |
|                          | Bristol                |
|                          | BS9 3EF                |

## Barrettine Holdings Limited

### Strategic Report for the Year Ended 31 December 2022

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

#### Principal activity

The principal activity of the company is acting as a holding company. The principal activity of the Group is the manufacturing, contract packaging/contract manufacturing, repacking and distribution of chemicals, solvents, wood preservatives, DIY, pest control and environmental health products. The principal activities are undertaken by the company and its subsidiaries.

#### Fair review of the business

After the two previous years were affected by the Covid 19 pandemic, along with everyone else we were hoping that 2022 would be a far more settled year. Unfortunately the outcome couldn't have been any different! The awful and worrying news about Russia invading Ukraine sent the markets into turmoil. Hi levels of inflation were already with us coming into 2022, but the war in Europe took things to unprecedented levels. Along with raw materials, energy and general operational costs soared.

So clearly another very commercially challenging year. Despite such challenges, the wider team did a fantastic job in procuring raw materials and components as competitively as possible, making sure product quality, availability and continuity remained strong.

From a business performance perspective, demand for a number of our products remained strong, and we did our best to maintain profit margins, whilst managing the aggressive levels of inflation as best that we could.

The majority of raw materials we procure have increased significantly over the course of 2022 and we expect this to continue going into 2023. Whilst we have managed to the best of our ability the effects of BREXIT, this has also created additional and unwelcome challenges, triggering supply chain issues and additional cost.

I continue to thank and state our gratitude and appreciation to all my Colleagues that work tirelessly to safeguard the Business, improve performance and support our Customers with excellent levels of service. The feedback we get from a number of our clients is very rewarding.

The Group's key financial performance indicators during the year were as follows:

|                  | Unit | 2022   | 2021   |
|------------------|------|--------|--------|
| Turnover         | £000 | 29,216 | 26,925 |
| Gross Profit     | £000 | 6,919  | 6,706  |
| Operating Profit | £000 | 1,945  | 1,943  |

## Barrettine Holdings Limited

### Strategic Report for the Year Ended 31 December 2022

#### Principal risks and uncertainties

##### Regulation

The chemical industry has and will continue to be heavily regulated. Regulation and legislation are a major challenge for our business. As we formulate/distribute both chemical products and pesticides, we are affected by both REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals) and BPR (Biocidal Product Review). Now that the UK has finally left the EU, we continue to come to terms with the UK REACH & UK BPR regulatory frameworks.

Barrettine Group and the wider industry are very frustrated at having to in effect repeat previous work to submit chemicals and formulations through the REACH & BPR process. Significant additional cost and resource just to maintain the status quo!

We continue to keep under review the various chemicals and biocides that we work with. Chemicals and biocides are being reviewed on a product by product basis with three possible outcomes: 1. Products are removed from the market; 2. Product stays on the market but with restrictions; 3. Product stays on the market with no restriction to current use.

To protect ourselves and our customers we closely monitor the on-going regulatory position, and we are in regular contact with our principal suppliers to make sure all of our products and usages are covered. If any products that we procure come under risk of removal or restriction, we will try and make sure there is enough notice, enabling us to switch to alternative raw materials and/or re-formulate.

##### Price Stability

A stable marketplace for the raw materials we procure plays an important part towards profitability. At present, we are experiencing a period of very high price inflation across a number of key raw materials and chemicals. As predicted in previous reports, the effects of such inflation create a number of challenges in maintaining our unit returns/margins. The effects can be both positive and negative and usually tend to be a short-term issue as we try to adjust our prices accordingly. However, there is often a time-lag between the supplier price increase and when we can push through increases into the different sectors we are active in. The Retail market is particularly challenging with significant resistance. Ultimately gross profit can suffer despite an increase in sales value. Along with raw material inflation, our Operational overheads/costs are increasing at a rapid rate.

##### Bad Debts

Concern over bad debts, as for all businesses, will continue to be a risk both in terms of the bad debt itself and the potential loss of turnover.

We have offset this risk to a degree by continuing to take out credit insurance with a high percentage of our debtors now covered.

Approved and authorised by the Board on 14/9/23 and signed on its behalf by:



CB Randall

Company secretary and director

## **Barrettine Holdings Limited**

### **Directors' Report for the Year Ended 31 December 2022**

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

#### **Directors of the group**

The directors who held office during the year were as follows:

S E Whiting

SH Bailey

CJ Bailey

CB Randall - Company secretary and director

#### **Future developments**

I previously reported on our new Laboratory facility and offices for the Technical team. This has proven to be a great asset for the Business. This great facility helps us to continue with our new product development plans, along with giving reassurance to our Customers and clients that quality and quality control are at the top of our priorities.

We acquired a new 12,000 sq ft unit at Warmley Business Park towards the end of 2020 and the development of brand-new offices together with canteen and new meeting room facilities was completed in the first half of 2022. A number of Colleagues have now moved to this new Unit, which is only 5 minutes from our main Production site.

#### **Research and development**

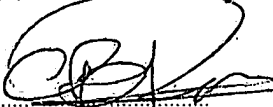
Due to the UK Biocides Directive and UK REACH, we are preparing to make sure all of our key products are supported and stay on the market. Our ongoing focus is to make sure we have a quality, sustainable product range for the long term. As previously mentioned, the impact of REACH and BPR could mean certain raw materials come off the market and therefore we are constantly looking at alternative raw materials making sure we are developing the next generation of high-quality sustainable products in a timely manner. We have also invested heavily in some novel compounds, particularly in our Pest Control Division, to control a broad spectrum of insects. The technology is based on more user and environmentally friendly raw materials compared to traditional insecticides. Our focus in the DIY, trade and professional building sector is to continue to develop products that are less weather and season affected.

Product development is coming to a conclusion on a number of exciting new products, some of which have been launched during 2022, with more to follow during 2022 and onwards. These new products are aligned with our strategy and will help us achieve additional growth and profitability in the years to come.

#### **Disclosure of information to the auditor**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved and authorised by the Board on 14/9/22 and signed on its behalf by:



CB Randall

Company secretary and director

## **Barrettine Holdings Limited**

### **Statement of Directors' Responsibilities**

The directors acknowledge their responsibilities 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 the 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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

## **Barrettine Holdings Limited**

### **Independent Auditor's Report to the Members of Barrettine Holdings Limited**

#### **Opinion**

We have audited the financial statements of Barrettine Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022, which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, Statement of Cash Flows, and Notes to the Financial Statements, 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 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 group's and the parent company's affairs as at 31 December 2022 and of the group's 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 director's 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 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.



## **Barrettine Holdings Limited**

### **Independent Auditor's Report to the Members of Barrettine Holdings Limited**

We have nothing to report in this regard.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 our 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 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 Statement of Directors' Responsibilities [set out on page 5], 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.

## **Barrettine Holdings Limited**

### **Independent Auditor's Report to the Members of Barrettine Holdings Limited**

#### **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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtain an understanding of the legal and regulatory framework applicable to the company and the sector in which it operates, and then obtain an understanding of how the company is complying with that legal and regulatory framework by enquiry and review;
- We assess the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, and then perform specific audit procedures including the assessment of controls management has in place to prevent and detect fraud, the review of significant accounting estimates and the testing of journal entries.

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

#### **Use of Our Report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
David Alan Oakensen FCA (Senior Statutory Auditor)  
For and on behalf of William Price & Co Ltd, Statutory Auditor

William Price & Co  
Westbury Court  
Church Road  
Bristol  
BS9 3EF

Date: 14.09.2023

# Barrettine Holdings Limited

## Consolidated Profit and Loss Account for the Year Ended 31 December 2022

|                                       | Note | 2022<br>£           | 2021<br>£           |
|---------------------------------------|------|---------------------|---------------------|
| Turnover                              | 3    | 29,216,285          | 26,925,058          |
| Cost of sales                         |      | <u>(22,297,508)</u> | <u>(20,218,974)</u> |
| Gross profit                          |      | 6,918,777           | 6,706,084           |
| Distribution costs                    |      | (1,995,991)         | (1,922,352)         |
| Administrative expenses               |      | (2,978,212)         | (2,845,944)         |
| Other operating income                |      | <u>-</u>            | <u>5,620</u>        |
| Operating profit                      | 4    | <u>1,944,574</u>    | <u>1,943,408</u>    |
| Interest payable and similar charges  | 5    | <u>(54,120)</u>     | <u>(30,142)</u>     |
|                                       |      | <u>(54,120)</u>     | <u>(30,142)</u>     |
| Profit before tax                     |      | 1,890,454           | 1,913,266           |
| Taxation                              | 9    | <u>(330,872)</u>    | <u>(414,215)</u>    |
| Profit for the financial year         |      | <u>1,559,582</u>    | <u>1,499,051</u>    |
| <b>Profit/(loss) attributable to:</b> |      |                     |                     |
| Owners of the company                 |      | <u>1,559,582</u>    | <u>1,499,051</u>    |

The above results were derived from continuing operations.

The group has no recognised gains or losses for the year other than the results above.

The notes on pages 16 to 30 form an integral part of these financial statements.

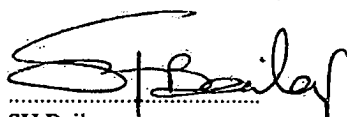
# Barrettine Holdings Limited

(Registration number: 8970272)

## Consolidated Balance Sheet as at 31 December 2022

|  | Note | 2022<br>£          | 2021<br>£          |
|--|------|--------------------|--------------------|
| <b>Fixed assets</b>  |      |                    |                    |
| Tangible assets  | 10   | 7,185,231          | 6,707,159          |
| <b>Current assets</b>  |      |                    |                    |
| Stocks   | 12   | 5,087,152          | 4,895,821          |
| Debtors  | 13   | 3,474,006          | 3,316,632          |
| Cash at bank and in hand                                       |      | 17,102             | 46,462             |
|  |      | <u>8,578,260</u>   | <u>8,258,915</u>   |
| <b>Creditors: Amounts falling due within one year</b>          | 15   | <u>(5,337,619)</u> | <u>(5,424,925)</u> |
| <b>Net current assets</b>                                      |      | <u>3,240,641</u>   | <u>2,833,990</u>   |
| <b>Total assets less current liabilities</b>                   |      | 10,425,872         | 9,541,149          |
| <b>Creditors: Amounts falling due after more than one year</b> | 15   | (156,879)          | (382,592)          |
| <b>Provisions for liabilities</b>                              |      | <u>(490,573)</u>   | <u>(420,495)</u>   |
| <b>Net assets</b>  |      | <u>9,778,420</u>   | <u>8,738,062</u>   |
| <b>Capital and reserves</b>                                    |      |                    |                    |
| Called up share capital  | 17   | 194,778            | 194,778            |
| Capital redemption reserve                                     |      | 100                | 100                |
| Revaluation reserve  |      | 581,918            | 586,407            |
| Other reserves   |      | 499,390            | 499,390            |
| Retained earnings  |      | <u>8,502,234</u>   | <u>7,457,387</u>   |
| <b>Equity attributable to owners of the company</b>            |      | <u>9,778,420</u>   | <u>8,738,062</u>   |
| <b>Shareholders' funds</b>                                     |      | <u>9,778,420</u>   | <u>8,738,062</u>   |

Approved and authorised by the Board on 14/9/23 and signed on its behalf by:



SH Bailey  
Director

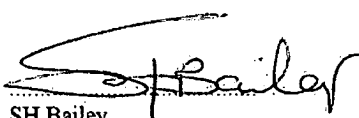
The notes on pages 16 to 30 form an integral part of these financial statements.

**Barrettine Holdings Limited**  
**(Registration number: 8970272)**  
**Balance Sheet as at 31 December 2022**

|   | Note | 2022<br>£        | 2021<br>£        |
|---|------|------------------|------------------|
| <b>Fixed assets</b>                                     |      |                  |                  |
| Tangible assets   | 10   | 2,519,593        | 2,489,799        |
| Investments   | 11   | <u>194,867</u>   | <u>194,867</u>   |
|   |      | <u>2,714,460</u> | <u>2,684,666</u> |
| <b>Current assets</b>                                   |      |                  |                  |
| Debtors   | 13   | -                | 506,863          |
| Creditors: Amounts falling due within one year          | 15   | <u>(80,934)</u>  | <u>(639,602)</u> |
| <b>Net current liabilities</b>                          |      | <u>(80,934)</u>  | <u>(132,739)</u> |
| <b>Total assets less current liabilities</b>            |      | 2,633,526        | 2,551,927        |
| Creditors: Amounts falling due after more than one year | 15   | (156,879)        | (382,592)        |
| <b>Provisions for liabilities</b>                       |      | <u>(28,115)</u>  | <u>(19,246)</u>  |
| <b>Net assets</b>                                       |      | <u>2,448,532</u> | <u>2,150,089</u> |
| <b>Capital and reserves</b>                             |      |                  |                  |
| Called up share capital                                 | 17   | 194,778          | 194,778          |
| Capital redemption reserve                              |      | 100              | 100              |
| Revaluation reserve                                     |      | 13,926           | 13,926           |
| Retained earnings                                       |      | <u>2,239,728</u> | <u>1,941,285</u> |
| <b>Shareholders' funds</b>                              |      | <u>2,448,532</u> | <u>2,150,089</u> |

The company made a profit after tax for the financial year of £817,666 (2021 - profit of £958,329).

Approved and authorised by the Board on 14/9/23 and signed on its behalf by:

  
SH Bailey  
Director

# Barrettine Holdings Limited

## Consolidated Statement of Changes in Equity for the Year Ended 31 December 2022 Equity attributable to the parent company

|                               | Share<br>capital<br>£ | Capital<br>redemption<br>reserve<br>£ | Revaluation<br>reserve<br>£ | Merger<br>reserve<br>£ | Profit<br>and loss<br>account<br>£ | Total<br>£       | Total<br>equity<br>£ |
|-------------------------------|-----------------------|---------------------------------------|-----------------------------|------------------------|------------------------------------|------------------|----------------------|
| Brought forward               | 194,778               | 100                                   | 586,407                     | 499,390                | 7,457,386                          | 8,738,061        | 8,738,061            |
| Profit for the year           | -                     | -                                     | -                           | -                      | 1,559,582                          | 1,559,582        | 1,559,582            |
| Other comprehensive<br>income | -                     | -                                     | (4,489)                     | -                      | 4,489                              | -                | -                    |
| Total comprehensive<br>income | -                     | -                                     | (4,489)                     | -                      | 1,564,071                          | 1,559,582        | 1,559,582            |
| Dividends                     | -                     | -                                     | -                           | -                      | (519,223)                          | (519,223)        | (519,223)            |
| At 31 December 2022           | <u>194,778</u>        | <u>100</u>                            | <u>581,918</u>              | <u>499,390</u>         | <u>8,502,234</u>                   | <u>9,778,420</u> | <u>9,778,420</u>     |
|                               | Share<br>capital<br>£ | Capital<br>redemption<br>reserve<br>£ | Revaluation<br>reserve<br>£ | Merger<br>reserve<br>£ | Profit<br>and loss<br>account<br>£ | Total<br>£       | Total<br>equity<br>£ |
| At 1 January 2021             | <u>194,778</u>        | <u>100</u>                            | <u>609,201</u>              | <u>499,390</u>         | <u>6,610,500</u>                   | <u>7,913,969</u> | <u>7,913,969</u>     |
| Profit for the year           | -                     | -                                     | -                           | -                      | 1,499,051                          | 1,499,051        | 1,499,051            |
| Other comprehensive<br>income | -                     | -                                     | (22,794)                    | -                      | 3,952                              | (18,842)         | (18,842)             |
| Total comprehensive<br>income | -                     | -                                     | (22,794)                    | -                      | 1,503,003                          | 1,480,209        | 1,480,209            |
| Dividends                     | -                     | -                                     | -                           | -                      | (656,116)                          | (656,116)        | (656,116)            |
| At 31 December 2021           | <u>194,778</u>        | <u>100</u>                            | <u>586,407</u>              | <u>499,390</u>         | <u>7,457,387</u>                   | <u>8,738,062</u> | <u>8,738,062</u>     |

The notes on pages 16 to 30 form an integral part of these financial statements.

# Barrettine Holdings Limited

## Statement of Changes in Equity for the Year Ended 31 December 2022

|                               | Share<br>capital<br>£ | Capital<br>redemption<br>reserve<br>£ | Revaluation<br>reserve<br>£ | Profit and<br>loss account<br>£ | Total<br>£ |
|-------------------------------|-----------------------|---------------------------------------|-----------------------------|---------------------------------|------------|
| At 1 January 2022             | 194,778               | 100                                   | 13,926                      | 1,941,285                       | 2,150,089  |
| Profit for the year           | -                     | -                                     | -                           | 817,666                         | 817,666    |
| Total comprehensive<br>income | -                     | -                                     | -                           | 817,666                         | 817,666    |
| Dividends                     | -                     | -                                     | -                           | (519,223)                       | (519,223)  |
| At 31 December 2022           | 194,778               | 100                                   | 13,926                      | 2,239,728                       | 2,448,532  |
|                               | Share capital<br>£    | Capital<br>redemption<br>reserve<br>£ | Revaluation<br>reserve<br>£ | Profit and<br>loss account<br>£ | Total<br>£ |
| At 1 January 2021             | 194,778               | 100                                   | -                           | 1,639,072                       | 1,833,950  |
| Profit for the year           | -                     | -                                     | -                           | 958,329                         | 958,329    |
| Other comprehensive<br>income | -                     | -                                     | 13,926                      | -                               | 13,926     |
| Total comprehensive<br>income | -                     | -                                     | 13,926                      | 958,329                         | 972,255    |
| Dividends                     | -                     | -                                     | -                           | (656,116)                       | (656,116)  |
| At 31 December 2021           | 194,778               | 100                                   | 13,926                      | 1,941,285                       | 2,150,089  |

The notes on pages 16 to 30 form an integral part of these financial statements.

# Barrettine Holdings Limited

## Consolidated Statement of Cash Flows for the Year Ended 31 December 2022

|   | Note | 2022<br>£        | 2021<br>£          |
|---|------|------------------|--------------------|
| <b>Cash flows from operating activities</b>   |      |                  |                    |
| Profit for the year                           |      | 1,559,582        | 1,499,051          |
| Adjustments to cash flows from non-cash items |      |                  |                    |
| Depreciation and amortisation                 | 4    | 293,899          | 267,050            |
| Loss/(profit) on disposal of tangible assets  |      | 17,271           | (9,417)            |
| Finance costs                                 | 5    | 54,120           | 30,142             |
| Income tax expense                            | 9    | 330,872          | 414,215            |
|   |      | <u>2,255,744</u> | <u>2,201,041</u>   |
| Working capital adjustments                   |      |                  |                    |
| Increase in stocks                            | 12   | (191,331)        | (907,601)          |
| Increase in trade debtors                     | 13   | (157,375)        | (328,612)          |
| (Decrease)/increase in trade creditors        | 15   | <u>(350,542)</u> | <u>81,738</u>      |
| Cash generated from operations                |      | 1,556,496        | 1,046,566          |
| Income taxes paid                             | 9    | <u>(167,504)</u> | <u>(437,325)</u>   |
| Net cash flow from operating activities       |      | <u>1,388,992</u> | <u>609,241</u>     |
| <b>Cash flows from investing activities</b>   |      |                  |                    |
| Acquisitions of tangible assets               |      | (789,242)        | (985,690)          |
| Proceeds from sale of tangible assets         |      | <u>-</u>         | <u>28,363</u>      |
| Net cash flows from investing activities      |      | <u>(789,242)</u> | <u>(957,327)</u>   |
| <b>Cash flows from financing activities</b>   |      |                  |                    |
| Interest paid                                 | 5    | (54,120)         | (30,142)           |
| Proceeds from bank borrowing draw downs       |      | (223,224)        | (497,404)          |
| Dividends paid                                |      | <u>(519,223)</u> | <u>(656,116)</u>   |
| Net cash flows from financing activities      |      | <u>(796,567)</u> | <u>(1,183,662)</u> |
| Net decrease in cash and cash equivalents     |      | (196,817)        | (1,531,748)        |
| Cash and cash equivalents at 1 January        |      | <u>(714,522)</u> | <u>817,226</u>     |
| Cash and cash equivalents at 31 December      |      | <u>(911,339)</u> | <u>(714,522)</u>   |

The notes on pages 16 to 30 form an integral part of these financial statements.



# Barrettine Holdings Limited

## Statement of Cash Flows for the Year Ended 31 December 2022

|  | Note | 2022<br>£ | 2021<br>£   |
|--|------|-----------|-------------|
| <b>Cash flows from operating activities</b>          |      |           |             |
| Profit for the year                                  |      | 817,666   | 958,329     |
| Adjustments to cash flows from non-cash items        |      |           |             |
| Depreciation and amortisation                        | 4    | 25,045    | 23,957      |
| Finance income                                       |      | (869,223) | (1,006,116) |
| Finance costs  |      | 13,243    | 19,088      |
| Income tax expense                                   | 9    | 8,869     | 1,010       |
|  |      | (4,400)   | (3,732)     |
| Working capital adjustments                          |      |           |             |
| Decrease/(increase) in trade debtors                 | 13   | 506,863   | (415,977)   |
| (Decrease)/increase in trade creditors               | 15   | (561,163) | 588,496     |
| Net cash flow from operating activities              |      | (58,700)  | 168,787     |
| <b>Cash flows from investing activities</b>          |      |           |             |
| Dividends received                                   |      | 869,223   | 1,006,116   |
| Acquisition of subsidiaries                          | 11   | -         | (89)        |
| Acquisitions of tangible assets                      |      | (54,839)  | (12,146)    |
| Proceeds from sale of tangible assets                |      | -         | 9,946       |
| Net cash flows from investing activities             |      | 814,384   | 1,003,827   |
| <b>Cash flows from financing activities</b>          |      |           |             |
| Interest paid  |      | (13,243)  | (19,088)    |
| Proceeds from bank borrowing draw downs              |      | (223,216) | (497,412)   |
| Dividends paid                                       |      | (519,223) | (656,116)   |
| Net cash flows from financing activities             |      | (755,682) | (1,172,616) |
| Net increase/(decrease) in cash and cash equivalents |      | 2         | (2)         |
| Cash and cash equivalents at 1 January               |      | (2)       | -           |
| Cash and cash equivalents at 31 December             |      | -         | (2)         |

The notes on pages 16 to 30 form an integral part of these financial statements.

## **Barrettine Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

#### **1 General information**

The company is a private company limited by share capital, incorporated in the United Kingdom.

The address of its registered office is:

St Ivel Way

Warmley

Bristol

BS30 8TY

These financial statements were authorised for issue by the Board on 14.09.2023

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in sterling.

##### **Basis of consolidation**

The consolidated financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December 2022.

The company has taken advantage of the exemption from preparing an individual profit and loss account conferred by Section 408 of the Companies Act 2006.

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

## **Barrettine Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

#### **Departures from Companies Act requirements**

No depreciation is provided on the Company or Group's Freehold Property. The directors undertake an annual impairment review of the Freehold Property. In addition, the property is held at a valuation and any surplus or deficit arising on valuation is transferred to the revaluation reserve.

#### **Judgements**

In the application of the Company and Group's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### **Key sources of estimation uncertainty**

As described in note 10 to the financial statements, freehold and leasehold property is stated at a fair value based on the valuation performed by an independent professional valuer.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the group.

The group recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the group's activities.

#### **Foreign currency transactions and balances**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account when arriving at the operating profit.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the group operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

## Barrettine Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Tangible assets

Tangible assets are stated in the statement of financial position at cost or valuation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class                        | Depreciation method and rate                   |
|------------------------------------|--|
| General office equipment           | 15% per annum reducing balance                 |
| Leasehold property                 | equal instalments over the period of the lease |
| Steel buildings                    | 5% per annum of cost                           |
| Motor vehicles                     | 25% per annum reducing balance                 |
| Electrical office equipment        | 15-20% of cost                                 |
| Plant & machinery                  | 10-25% per annum reducing balance              |
| Plates and label origination plant | 33% per annum of cost                          |

#### Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

#### Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade debtors

## **Barrettine Holdings Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Dividends**

Dividend distribution to the group's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

## Barrettine Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### 3 Revenue

The analysis of the group's turnover for the year from continuing operations is as follows:

|               | 2022              | 2021              |
|---------------|-------------------|-------------------|
|               | £                 | £                 |
| Sale of goods | <u>29,216,285</u> | <u>26,925,058</u> |

The analysis of the group's turnover for the year by class of business is as follows:

Products Division £24,805,566 (2021:£23,076,397)

Environmental Health Division £4,410,719 (2021:£3,848,661)

The analysis of the group's turnover for the year by market is as follows:

UK Sales £28,150,349 (2021:£25,707,558)

Non-UK Sales £1,065,936 (2021:£1,217,500)

#### 4 Operating profit

Arrived at after charging/(crediting)

|  | 2022          | 2021           |
|--|---------------|----------------|
|  | £             | £              |
| Depreciation expense                                       | 293,899       | 267,050        |
| Operating lease expense - plant and machinery              | 174,831       | 188,390        |
| Loss/(profit) on disposal of property, plant and equipment | <u>17,271</u> | <u>(9,417)</u> |

#### 5 Interest payable and similar expenses

|  | 2022          | 2021          |
|--|---------------|---------------|
|  | £             | £             |
| Interest on bank overdrafts and borrowings | <u>54,120</u> | <u>30,142</u> |

#### 6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

## Barrettine Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

|  | 2022             | 2021             |
|--|------------------|------------------|
|  | £                | £                |
| Wages and salaries                         | 3,642,194        | 3,582,410        |
| Social security costs                      | 359,300          | 351,249          |
| Other short-term employee benefits         | 2,448            | 2,354            |
| Pension costs, defined contribution scheme | 355,024          | 363,958          |
| Other employee expense                     | 28,923           | 27,079           |
|  | <u>4,387,889</u> | <u>4,327,050</u> |

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

|                            | 2022       | 2021       |
|----------------------------|------------|------------|
|                            | No.        | No.        |
| Production                 | 65         | 62         |
| Administration and support | 25         | 24         |
| Sales                      | 16         | 16         |
|                            | <u>106</u> | <u>102</u> |

#### 7 Directors' remuneration

The directors' remuneration for the year was as follows:

|  | 2022           | 2021           |
|--|----------------|----------------|
|  | £              | £              |
| Remuneration                                 | 468,593        | 612,839        |
| Contributions paid to money purchase schemes | 128,979        | 90,255         |
|  | <u>597,572</u> | <u>703,094</u> |

During the year the number of directors who were receiving benefits and share incentives was as follows:

|   | 2022     | 2021     |
|---|----------|----------|
|   | No.      | No.      |
| Accruing benefits under money purchase pension scheme | <u>3</u> | <u>3</u> |

In respect of the highest paid director:

|   | 2022          | 2021          |
|---|---------------|---------------|
|   | £             | £             |
| Remuneration  | 188,475       | 198,058       |
| Company contributions to money purchase pension schemes | <u>19,748</u> | <u>19,130</u> |

#### 8 Auditors' remuneration

|                                     | 2022          | 2021          |
|-------------------------------------|---------------|---------------|
|                                     | £             | £             |
| Audit of these financial statements | <u>22,530</u> | <u>20,970</u> |
| Other fees to auditors              |               |               |
| All other non-audit services        | <u>8,800</u>  | <u>7,685</u>  |

## Barrettine Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 9 Taxation

Tax charged/(credited) in the consolidated profit and loss account

|   | 2022<br>£             | 2021<br>£             |
|---|-----------------------|-----------------------|
| <b>Current taxation</b>                                     |                       |                       |
| UK corporation tax  | 260,794               | 198,690               |
| <b>Deferred taxation</b>                                    |                       |                       |
| Arising from origination and reversal of timing differences | <u>70,078</u>         | <u>215,525</u>        |
| Tax expense in the income statement                         | <u><u>330,872</u></u> | <u><u>414,215</u></u> |

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2021 - the same as the standard rate of corporation tax in the UK) of 19% (2021 - 19%) except for the differences outlined below. If profits remain above £250,000, the company's corporation tax rate will increase to 25% from 1 April 2023.

The differences are reconciled below:

|   | 2022<br>£             | 2021<br>£             |
|---|-----------------------|-----------------------|
| Profit before tax   | <u>1,890,454</u>      | <u>1,913,266</u>      |
| Corporation tax at standard rate  | 359,186               | 363,521               |
| Effect of expense not deductible in determining taxable profit (tax loss)     | (3,636)               | (7,148)               |
| Deferred tax expense relating to changes in tax rates or laws                 | -                     | 91,940                |
| Tax decrease from effect of adjustment in research and development tax credit | <u>(24,678)</u>       | <u>(34,098)</u>       |
| Total tax charge  | <u><u>330,872</u></u> | <u><u>414,215</u></u> |



# **Barrettine Holdings Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2022**

### **Group**

#### Deferred tax assets and liabilities

|                                | Asset    | Liability       |
|--------------------------------|----------|-----------------|
|                                | £        | £               |
| <b>2022</b>                    |          |                 |
| Accelerated Capital Allowances | -        | 510,085         |
| Tax Losses                     | -        | (9,020)         |
| Other Timing Differences       | -        | (10,492)        |
|                                | <u>-</u> | <u>(10,492)</u> |
|                                | <u>-</u> | <u>490,573</u>  |

|                                | Asset    | Liability       |
|--------------------------------|----------|-----------------|
|                                | £        | £               |
| <b>2021</b>                    |          |                 |
| Accelerated Capital Allowances | -        | 441,934         |
| Tax Losses                     | -        | (9,020)         |
| Other Timing Differences       | -        | (12,419)        |
|                                | <u>-</u> | <u>(12,419)</u> |
|                                | <u>-</u> | <u>420,495</u>  |

### **Company**

#### Deferred tax assets and liabilities

|                                | Asset    | Liability     |
|--------------------------------|----------|---------------|
|                                | £        | £             |
| <b>2022</b>                    |          |               |
| Accelerated Capital Allowances | -        | 28,115        |
|                                | <u>-</u> | <u>28,115</u> |

|                                | Asset    | Liability     |
|--------------------------------|----------|---------------|
|                                | £        | £             |
| <b>2021</b>                    |          |               |
| Accelerated Capital Allowances | -        | 19,246        |
|                                | <u>-</u> | <u>19,246</u> |

# Barrettine Holdings Limited

## Notes to the Financial Statements for the Year Ended 31 December 2022

### 10 Property, plant and equipment

#### Group

|                          | Land and<br>buildings<br>£ | Furniture,<br>fittings and<br>equipment<br>£ | Motor<br>vehicles<br>£ | Other<br>property,<br>plant and<br>equipment<br>£ | Total<br>£       |
|--------------------------|----------------------------|--|------------------------|---|------------------|
| <b>Cost or valuation</b> |                            |  |                        |   |                  |
| At 1 January 2022        | 4,850,650                  | 554,475                                      | 47,738                 | 3,471,445   | 8,924,308        |
| Additions                | 305,255                    | 126,837                                      | 10,980                 | 346,170   | 789,242          |
| Disposals                | -                          | -  | -                      | (105,176)   | (105,176)        |
| At 31 December 2022      | <u>5,155,905</u>           | <u>681,312</u>                               | <u>58,718</u>          | <u>3,712,439</u>                                  | <u>9,608,374</u> |
| <b>Depreciation</b>      |                            |  |                        |   |                  |
| At 1 January 2022        | 41,600                     | 414,171                                      | 10,355                 | 1,751,023   | 2,217,149        |
| Charge for the year      | 6,341                      | 61,612                                       | 9,575                  | 216,371   | 293,899          |
| Eliminated on disposal   | -                          | -  | -                      | (87,905)  | (87,905)         |
| At 31 December 2022      | <u>47,941</u>              | <u>475,783</u>                               | <u>19,930</u>          | <u>1,879,489</u>                                  | <u>2,423,143</u> |
| <b>Carrying amount</b>   |                            |  |                        |   |                  |
| At 31 December 2022      | <u>5,107,964</u>           | <u>205,529</u>                               | <u>38,788</u>          | <u>1,832,950</u>                                  | <u>7,185,231</u> |
| At 31 December 2021      | <u>4,809,050</u>           | <u>140,304</u>                               | <u>37,383</u>          | <u>1,720,422</u>                                  | <u>6,707,159</u> |

Included within the net book value of land and buildings above is £4,673,305 (2021 - £4,368,050) in respect of freehold land and buildings and £434,659 (2021 - £441,000) in respect of long leasehold land and buildings.

#### Revaluation

The fair value of the group's Freehold Property was revalued on 27 October 2021 by an independent valuer. The valuation was carried out by Nigel K Hicks & Co, Chartered Surveyors on the basis of open market value for existing use. The surveyor has experience in surveying and valuing commercial properties in and around Bristol.

Had this class of asset been measured on a historical cost basis, their carrying amount would have been £4,605,915 (2021 - £4,303,621).

## Barrettine Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Company

|                          | Land and<br>buildings<br>£ | Furniture,<br>fittings and<br>equipment<br>£ | Other tangible<br>assets<br>£ | Total<br>£ |
|--------------------------|----------------------------|--|-------------------------------|------------|
| <b>Cost or valuation</b> |                            |  |                               |            |
| At 1 January 2022        | 2,420,000                  | 46,823                                       | 142,062                       | 2,608,885  |
| Additions                | -                          | 54,839                                       | -                             | 54,839     |
| At 31 December 2022      | 2,420,000                  | 101,662                                      | 142,062                       | 2,663,724  |
| <b>Depreciation</b>      |                            |  |                               |            |
| At 1 January 2022        | -                          | 10,531                                       | 108,555                       | 119,086    |
| Charge for the year      | -                          | 13,741                                       | 11,304                        | 25,045     |
| At 31 December 2022      | -                          | 24,272                                       | 119,859                       | 144,131    |
| <b>Carrying amount</b>   |                            |  |                               |            |
| At 31 December 2022      | 2,420,000                  | 77,390                                       | 22,203                        | 2,519,593  |
| At 31 December 2021      | 2,420,000                  | 36,292                                       | 33,507                        | 2,489,799  |

Included within the net book value of land and buildings above is £2,420,000 (2021 - £2,420,000) in respect of freehold land and buildings.

#### Revaluation

The fair value of the company's Freehold Property was revalued on 27 October 2021 by an independent valuer. The valuation was carried out by Nigel K Hicks & Co, Chartered Surveyors on the basis of open market value for existing use. The firm has experience in surveying and valuing commercial property in and around Bristol. Had this class of asset been measured on a historical cost basis, the carrying amount would have been £2,453,356 (2021 - £2,453,356).

#### 11 Investments

##### Company

|                             | 2022<br>£ | 2021<br>£ |
|-----------------------------|-----------|-----------|
| Investments in subsidiaries | 194,867   | 194,867   |

##### Subsidiaries

##### Cost or valuation

|                   |         |
|-------------------|---------|
| At 1 January 2022 | 194,867 |
|-------------------|---------|

##### Provision

##### Carrying amount

|                     |         |
|---------------------|---------|
| At 31 December 2022 | 194,867 |
| At 31 December 2021 | 194,867 |

## Barrettine Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

| Undertaking  | Country of<br>incorporation | Holding   | Proportion of voting rights<br>and shares held |      |
|--|-----------------------------|---|--|------|
|  |                             |   | 2022   | 2021 |
| Subsidiary undertakings  |                             |   |  |      |
| J V Barrett & Co Ltd<br>St. Ivel Way<br>Warmley<br>Bristol<br>BS30 8TY                                       | England & Wales             | ordinary  | 100%   | 100% |
| Barrettine Products Ltd<br>St. Ivel Way<br>Warmley<br>Bristol<br>BS30 8TY                                    | England & Wales             | ordinary<br>shares held<br>by J V Barrett<br>& Co Ltd | 100%   | 100% |
| Woodman Hill Ltd<br>St. Ivel Way<br>Warmley<br>Bristol<br>BS30 8TY   | England & Wales             | ordinary<br>shares held<br>by J V Barrett<br>& Co Ltd | 100%   | 100% |
| Barrettine (Industrial) Ltd<br>St. Ivel Way<br>Warmley<br>Bristol<br>BS30 8TY                                | England & Wales             | ordinary<br>shares held<br>by J V Barrett<br>& Co Ltd | 100%   | 100% |
| Barrettine (Europe) Ltd<br>Unit 3D North Point House<br>North Point Business Park<br>New Mallow Road<br>Cork | Ireland                     | ordinary  | 100%   | 100% |

#### Subsidiary undertakings

##### *J V Barrett & Co Ltd*

The principal activity of J V Barrett & Co Ltd is the manufacture and distribution of chemical and environmental health products..

## Barrettine Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### *Barrettine Products Ltd*

The principal activity of Barrettine Products Ltd is the manufacture of DIY and chemical products..

#### *Woodman Hill Ltd*

The principal activity of Woodman Hill Ltd is the manufacture and contract packaging of chemical products..

#### *Barrettine (Industrial) Ltd*

The principal activity of Barrettine (Industrial) Ltd is dormant..

#### *Barrettine (Europe) Ltd*

The principal activity of Barrettine (Europe) Ltd is non-trading.

#### 12 Stocks

|                                     | Group            |                  | Company  |          |
|-------------------------------------|------------------|------------------|----------|----------|
|                                     | 2022             | 2021             | 2022     | 2021     |
|                                     | £                | £                | £        | £        |
| Raw materials and consumables       | 2,850,853        | 2,701,877        | -        | -        |
| Finished goods and goods for resale | 2,236,299        | 2,193,944        | -        | -        |
|                                     | <u>5,087,152</u> | <u>4,895,821</u> | <u>-</u> | <u>-</u> |

#### 13 Debtors

|               | Group            |                  | Company  |                |
|---------------|------------------|------------------|----------|----------------|
|               | 2022             | 2021             | 2022     | 2021           |
|               | £                | £                | £        | £              |
| Trade debtors | 3,138,561        | 3,007,389        | -        | -              |
| Other debtors | 39,569           | 19,912           | -        | 506,863        |
| Prepayments   | 295,876          | 289,331          | -        | -              |
|               | <u>3,474,006</u> | <u>3,316,632</u> | <u>-</u> | <u>506,863</u> |

#### 14 Cash and cash equivalents

|  | Group            |                  | Company  |            |
|--|------------------|------------------|----------|------------|
|  | 2022             | 2021             | 2022     | 2021       |
|  | £                | £                | £        | £          |
| Cash on hand   | 843              | -                | -        | -          |
| Cash at bank   | 16,259           | 46,462           | -        | -          |
|  | 17,102           | 46,462           | -        | -          |
| Bank overdrafts                                      | (928,441)        | (760,984)        | -        | (2)        |
| Cash and cash equivalents in statement of cash flows | <u>(911,339)</u> | <u>(714,522)</u> | <u>-</u> | <u>(2)</u> |

## Barrettine Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 15 Creditors

|  | Note | Group            |                  | Company        |                |
|--|------|------------------|------------------|----------------|----------------|
|  |      | 2022<br>£        | 2021<br>£        | 2022<br>£      | 2021<br>£      |
| <b>Due within one year</b>                     |      |                  |                  |                |                |
| Loans and borrowings                           | 18   | 982,042          | 812,096          | 53,601         | 51,106         |
| Trade creditors                                |      | 2,441,162        | 2,938,025        | -              | -              |
| Amounts due to related parties                 | 21   | 511,000          | 404,781          | -              | -              |
| Social security and other taxes                |      | 327,001          | 208,808          | -              | -              |
| Outstanding defined contribution pension costs |      | 33,221           | 32,363           | -              | -              |
| Other payables                                 |      | 19,632           | 17,244           | 27,333         | 588,496        |
| Accrued expenses                               |      | 766,511          | 847,848          | -              | -              |
| Income tax liability                           | 9    | 257,050          | 163,760          | -              | -              |
|  |      | <u>5,337,619</u> | <u>5,424,925</u> | <u>80,934</u>  | <u>639,602</u> |
| <b>Due after one year</b>                      |      |                  |                  |                |                |
| Loans and borrowings                           | 18   | <u>156,879</u>   | <u>382,592</u>   | <u>156,879</u> | <u>382,592</u> |

#### 16 Pension and other schemes

##### Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £355,024 (2021 - £363,958).

Contributions totalling £33,221 (2021 - £32,363) were payable to the scheme at the end of the year and are included in creditors.

#### 17 Share capital

##### Allotted, called up and fully paid shares

|                       | 2022           |                | 2021           |                |
|-----------------------|----------------|----------------|----------------|----------------|
|                       | No.            | £              | No.            | £              |
| A Ordinary of £1 each | 194,378        | 194,378        | 194,378        | 194,378        |
| B Ordinary of £1 each | 400            | 400            | 400            | 400            |
|                       | <u>194,778</u> | <u>194,778</u> | <u>194,778</u> | <u>194,778</u> |

##### Rights, preferences and restrictions

## Barrettine Holdings Limited

**Notes to the Financial Statements for the Year Ended 31 December 2022**

**Ordinary A shares have the following rights, preferences and restrictions:**

All the A Ordinary Shares carry the same rights to participate in full in all dividends declared and the right to participate in company meetings.

**Ordinary B Shares have the following rights, preferences and restrictions:**

The ordinary B shares have no voting rights and no rights to attend the AGM.

## 18 Loans and borrowings

|   | Group   |         | Company |         |
|---|---------|---------|---------|---------|
|   | 2022    | 2021    | 2022    | 2021    |
|   | £       | £       | £       | £       |
| <b>Non-current loans and borrowings</b> |         |         |         |         |
| Bank borrowings                         | 156,879 | 382,592 | 156,879 | 382,592 |

|                                     | Group          |                | Company       |               |
|-------------------------------------|----------------|----------------|---------------|---------------|
|                                     | 2022<br>£      | 2021<br>£      | 2022<br>£     | 2021<br>£     |
| <b>Current loans and borrowings</b> |                |                |               |               |
| Bank borrowings                     | 53,601         | 51,112         | 53,601        | 51,104        |
| Bank overdrafts                     | 928,441        | 760,984        | -             | 2             |
|                                     | <u>982,042</u> | <u>812,096</u> | <u>53,601</u> | <u>51,106</u> |

## Group

### Bank borrowings

National Westminster Bank Loan is denominated in GBP with a nominal interest rate of 2.2% over base rate, and the final instalment is due on 30 September 2035. The carrying amount at year end is £210,480 (2021-£433,196).

The following asset has been pledged as security for the loan: Unit 12, Warmley Business Park.

The loan is also secured by £945,000 guarantee provided by J.V. Barrett & Co Ltd.

Bank overdrafts comprise invoice financing balances held with Royal Bank of Scotland. The balances are secured on the related trade debts.

## 19 Obligations under leases and hire purchase contracts

## Group

## Operating leases

The total of future minimum lease payments is as follows:

|   | 2022<br>£        | 2021<br>£        |
|---|------------------|------------------|
| Not later than one year                           | 281,853          | 271,665          |
| Later than one year and not later than five years | 595,768          | 795,156          |
| Later than five years                             | <u>2,232,000</u> | <u>2,268,000</u> |
|   | <u>3,109,621</u> | <u>3,334,821</u> |

## Barrettine Holdings Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 20 Dividends

|  | 2022<br>£      | 2021<br>£      |
|--|----------------|----------------|
| Dividend of £2.61 (2021 - £2.95) per ordinary share      | 508,423        | 573,916        |
| Dividend of £27.00 (2021 - £205.50) per B ordinary share | <u>10,800</u>  | <u>82,200</u>  |
|  | <u>519,223</u> | <u>656,116</u> |

The directors are proposing a final dividend of £0.788 (2021 - £0.089) per share totalling £153,140 (2021 - £17,340). This dividend has not been accrued in the Balance Sheet.

#### 21 Related party transactions

##### Group

##### Key management personnel

Individuals who act as directors for the main subsidiary company, J V Barrett & Co Ltd, are considered to be key management personnel for the group as a whole and their remuneration is disclosed below.

##### Key management compensation

|   | 2022<br>£      | 2021<br>£      |
|---|----------------|----------------|
| Salaries and other short term employee benefits | 161,339        | 131,199        |
| Post-employment benefits                        | <u>33,020</u>  | <u>39,664</u>  |
|   | <u>194,359</u> | <u>170,863</u> |

##### Loans from related parties

|                    | Other related<br>parties<br>£ | Total<br>£     |
|--------------------|-------------------------------|----------------|
| 2022               |                               |                |
| At start of period | 404,781                       | 404,781        |
| Advanced           | <u>106,219</u>                | <u>106,219</u> |
| At end of period   | <u>511,000</u>                | <u>511,000</u> |

##### Terms of loans from related parties

At the year end, C J Bailey, a director and shareholder, held a credit balance with the group as detailed above. The loan is repayable on demand and interest is payable at 2.75% p.a.