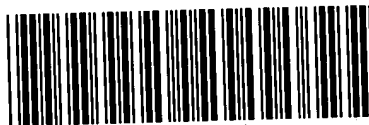


**REGISTERED NUMBER: 00551762 (England and Wales)**

**G. J. HANDY (TRADING) LTD  
STRATEGIC REPORT,  
REPORT OF THE DIRECTORS AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 NOVEMBER 2020**

**SATURDAY**



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FOR THE YEAR ENDED 30 NOVEMBER 2020**

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**G. J. HANDY (TRADING) LTD**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30 NOVEMBER 2020**

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**DIRECTORS:**

Mr D L Belcher  
Mr S A Belcher  
Mrs D S Belcher  
Mr S Bartlett  
Mr M A Moseley

**REGISTERED OFFICE:**

Handy Distribution  
Murdock Road  
Dorcan  
SWINDON  
Wiltshire  
SN3 5HY

**REGISTERED NUMBER:**

00551762 (England and Wales)

**AUDITORS:**

Morris Owen  
Statutory Auditors  
43-45 Devizes Road  
SWINDON  
Wiltshire  
SN1 4BG

**STRATEGIC REPORT  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

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The directors have pleasure in presenting their strategic report for the year ended 30 November 2020.

**COVID-19**

In 2020 the World Health Organisation declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. COVID-19 is having significant effects on global markets, supply chains, businesses, and communities. Through government support, partial restructuring and strong ecommerce business which has been driven by periods of high street lockdowns the business remained strong however moving into yearend 2020/2021 the knock-on effects of COVID-19 have had major implications in supply chain and pricing of which the full effect is not yet known.

**REVIEW OF BUSINESS**

The sector in which the company trades is seasonal and is dependent to some degree on the weather at key times.

2020 was an average year weather wise although with generally good weather and with national and local restrictions in place it meant people spent more time than normal at home and in the garden.

The turnover for the year was £19.3 million, up by approximately £4 million compared to the previous year. The increase in turnover was driven by online retailing which was up significantly given physical retailers were closed or restricted during the peak sales period.

Profit was up in 2020 and this was due mainly to the increase in turnover and very closely monitored overheads during the pandemic and lockdown periods.

The Webb, The Handy and Q Garden brands continues to grow at a strong pace alongside our other brands which compliment the big brand names we represent.

As previous years, we continued to aim to deliver the best distribution infrastructure in our industry coupled with a highly skilled and knowledgeable team of staff means we can continue to grow our business and lead in our sector.

**POSITION AT THE END OF THE YEAR**

At year end the company was in a strong balance sheet and cash position following the strong online trading however stock holding was low due to the increased demand and supply issues created by COVID-19. The stock shortages are likely to impact into the following year although we are working hard to minimise the impact of this by working closely with our suppliers.

As part of our strategy going forward to mould the business for the future, we took the decision during this financial year to close our Hobley Drive retail shop. This was done to streamline our operation, save cost and allow investment into our main distribution site. Also during this financial year, an extension to our Dorcan site was started by G J Handy (Properties) Limited. This will increase our available warehouse capacity by around 25% following the closure of Hobley Drive and is expected to be completed in 2021.

**PRINCIPAL RISKS AND UNCERTAINTIES**

We have a new risk, pandemics like we have just seen, and periods of lockdown has changed the world possibly forever and has changed the way we buy, sell and operate our supply chains. We believe through good business management we have showed the ability to evolve in a safe and controlled manner which will put us in a strong position for the future.

The effects of BREXIT have not been as bad as we thought although we don't trade very much outside of the UK other than with China. We will continue to monitor the fall out of BREXIT to ensure limited effects on the business.

Weather is always the biggest uncertainty, the impact of this is mitigated where possible through closely managed stock levels.

**STRATEGIC REPORT  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

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**KEY PERFORMANCE INDICATORS**

The directors have identified that the key performance indicators when looking at the business are the monitoring of turnover on a monthly basis compared to the seasonalised budget, margin levels (2020 12.4%, 2019 9.2%), stock turn (2020 3.6, 2019 2.5), control of overheads compared to budget and cash flow.

**FUTURE DEVELOPMENTS**

We are committed to developing a sustainable business, with ongoing investment in our Dorcan site so we can offer industry leading service and we will continue to try and grow the business while the country and world as a whole recovers from the pandemic. We are partnered by the leading brands as well as our own brand offerings making us the one stop wholesaler in our industry, we aim to further cement this position even further in the coming year.

**ON BEHALF OF THE BOARD:**



Mr S A Belcher - Director

27 August 2021

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

---

The directors present their report with the financial statements of the company for the year ended 30 November 2020.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of retailing and distribution of domestic and professional garden machinery.

**DIVIDENDS**

Dividends totalling £9.81 per share were paid during the year. The total distribution of dividends for the year end 30th November 2020 was £168,554

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 December 2019 to the date of this report.

Mr D L Belcher  
Mr S A Belcher  
Mrs D S Belcher  
Mr S Bartlett  
Mr M A Moseley

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

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**AUDITORS**

The auditors, Morris Owen, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



Mr S A Belcher - Director

27 August 2021

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF G. J. HANDY (TRADING) LTD**

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### **Opinion**

We have audited the financial statements of G. J. Handy (Trading) Ltd (the 'company') for the year ended 30 November 2020 which comprise the Statement of Income and Retained Earnings, Statement of Financial Position 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 company's affairs as at 30 November 2020 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
G. J. HANDY (TRADING) LTD**

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**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 Report of the Directors.

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

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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.

**Auditors' 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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**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 a Report of the Auditors 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.

Mr Alan John Barlow (Senior Statutory Auditor)  
for and on behalf of Morris Owen  
Statutory Auditors  
43-45 Devizes Road  
SWINDON  
Wiltshire  
SN1 4BG

27 8 21  
Date: .....

**G. J. HANDY (TRADING) LTD (REGISTERED NUMBER: 00551762)**

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

	Notes	2020 £	2019 £
<b>REVENUE</b>	3	<b>19,317,935</b>	15,355,825
Cost of sales		<b><u>16,916,564</u></b>	<u>13,941,134</u>
<b>GROSS PROFIT</b>		<b>2,401,371</b>	1,414,691
Administrative expenses		<b><u>2,061,398</u></b>	<u>2,751,777</u>
		<b>339,973</b>	(1,337,086)
Other operating income	4	<b><u>305,373</u></b>	<u>38,695</u>
<b>OPERATING PROFIT/(LOSS)</b>	6	<b>645,346</b>	(1,298,391)
Interest payable and similar expenses	7	<b><u>27,070</u></b>	<u>33,270</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		<b>618,276</b>	(1,331,661)
Tax on profit/(loss)	8	<b><u>118,653</u></b>	<u>(70,746)</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		<b>499,623</b>	(1,260,915)
Retained earnings at beginning of year		<b>4,885,054</b>	6,526,542
Dividends	9	<b><u>(168,554)</u></b>	<u>(380,573)</u>
<b>RETAINED EARNINGS AT END OF YEAR</b>		<b><u>5,216,123</u></b>	<u>4,885,054</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION  
30 NOVEMBER 2020

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
Intangible assets	10	-	2,925
Property, plant and equipment	11	<u>174,626</u>	<u>285,834</u>
		<b>174,626</b>	<b>288,759</b>
<b>CURRENT ASSETS</b>			
Inventories	12	<b>2,675,906</b>	4,909,835
Debtors	13	<b>3,410,213</b>	3,033,647
Cash at bank and in hand		<u><b>1,375,515</b></u>	<u>639</u>
		<b>7,461,634</b>	<b>7,944,121</b>
<b>CREDITORS</b>			
Amounts falling due within one year	14	<u><b>2,309,782</b></u>	<u>3,172,216</u>
<b>NET CURRENT ASSETS</b>		<u><b>5,151,852</b></u>	<u><b>4,771,905</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>5,326,478</b>	<b>5,060,664</b>
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	<b>(19,148)</b>	<b>(60,273)</b>
<b>PROVISIONS FOR LIABILITIES</b>	20	<u><b>(65,207)</b></u>	<u><b>(89,337)</b></u>
<b>NET ASSETS</b>		<u><u><b>5,242,123</b></u></u>	<u><u><b>4,911,054</b></u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	21	<b>17,000</b>	17,000
Capital redemption reserve	22	<b>9,000</b>	9,000
Retained earnings	22	<u><b>5,216,123</b></u>	<u><b>4,885,054</b></u>
<b>SHAREHOLDERS' FUNDS</b>		<u><u><b>5,242,123</b></u></u>	<u><u><b>4,911,054</b></u></u>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 27 August 2021 and were signed on its behalf by:



Mr S A Belcher - Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

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**1. STATUTORY INFORMATION**

GJ Handy (Trading) Limited is private company, limited by shares, registered in England and Wales.

The registered office address is Murdock Road, Dorcan, Swindon, Wiltshire, SN3 5HY.

These financial statements are presented in British Pounds (GBP), which is the company's functional and presentational currency.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

**Significant judgements and estimates**

The directors have calculated an annual stock provision for any slowing moving or obsolete third party stock. The directors believe the most accurate way to calculate this provision is to review each stock line held at the year end and compare this to sales post year end. All stock lines that have had less than 20% sales are deemed to be slowing moving and/or obsolete. Of this total of slowing moving and/or obsolete stock, the directors believe that 25% should be provided for. Stock lines which have been included in the provision for two consecutive years or more are subject to a further 25% provision. The period for the post year end review is considered to capture the seasonality of the business. The provision has been calculated at £196,929 (2019: £176,342)

The directors also have determined an appropriate provision for bad and doubtful debts by assessing the recoverability of all balances on a balance by balance basis.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, net of vat, discounts, and rebates. Turnover is recognised when goods are despatched or made available for collection. Turnover in foreign currencies is translated into sterling at the rates published by HMRC.

**Intangible fixed assets**

Amortisation is provided over 3 years to write off the website costs over its estimated useful life.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Property improvements	- 10% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 40% on reducing balance
Computer equipment	- 20% on cost

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

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**2. ACCOUNTING POLICIES - continued**

**Government grants**

During the year, the company became eligible for grants under the Coronavirus Job Retention Scheme (CJRS). The amount receivable of £133,335 has been accounted for under the accruals basis.

**Stocks and work in progress**

Stocks are valued at the lower of cost and net realisable value, after make due allowance for obsolete and slow moving items. The cost of inventories is measured using the first-in first-out basis.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

**Foreign currencies**

Transactions in all other foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date.

The company enters into a forward agreements to minimise against the risk of fluctuations in the US dollar.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2020**

**2. ACCOUNTING POLICIES - continued****Financial instruments**

Financial instruments are classified by the directors as basic or advanced following the conditions in FRS 102 Section 11. Basic financial instruments are recognised at amortised cost using the effective interest method. The only advanced instruments recognised by the company are derivatives (being forward foreign exchange contracts). Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in arriving at profit before tax. Derivative assets are included in other debtors and derivative liabilities are included in other creditors.

**3. REVENUE**

The revenue and profit (2019 - loss) before taxation are attributable to the one principal activity of the company.

**4. OTHER OPERATING INCOME**

	<b>2020</b>	2019
	£	£
Other income	<b>172,028</b>	38,695
Government grants	<b><u>133,345</u></b>	<u>-</u>
	<b><u>305,373</u></b>	<u>38,695</u>

**5. EMPLOYEES AND DIRECTORS**

	<b>2020</b>	2019
	£	£
Wages and salaries	<b>1,381,581</b>	1,443,755
Social security costs	<b>135,848</b>	154,711
Other pension costs	<b><u>26,046</u></b>	<u>30,909</u>
	<b><u>1,543,475</u></b>	<u>1,629,375</u>

The average number of employees during the year was as follows:

	<b>2020</b>	2019
Management staff	<b>5</b>	5
Administration staff	<b>18</b>	18
Sales, distribution & workshop staff	<b><u>28</u></b>	<u>33</u>
	<b><u>51</u></b>	<u>56</u>

	<b>2020</b>	2019
	£	£
Directors' remuneration	<b>264,202</b>	212,331
Directors' pension contributions to money purchase schemes	<b><u>6,387</u></b>	<u>6,329</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<b><u>3</u></b>	<u>3</u>
------------------------	-----------------	----------

Information regarding the highest paid director is as follows:

	<b>2020</b>	2019
	£	£
Emoluments etc	<b>91,160</b>	108,738
Pension contributions to money purchase schemes	<b><u>3,189</u></b>	<u>3,189</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2020**

**6. OPERATING PROFIT/(LOSS)**

The operating profit (2019 - operating loss) is stated after charging/(crediting):

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Hire of plant and machinery	<b>9,464</b>	9,410
Depreciation - owned assets	<b>65,606</b>	114,364
Depreciation - assets on hire purchase contracts	<b>55,332</b>	93,600
Profit on disposal of fixed assets	<b>(23,226)</b>	(12,064)
Website costs amortisation	<b>2,925</b>	4,400
Auditors' remuneration	<b>15,785</b>	18,310
Foreign exchange differences	<b>(35,121)</b>	15,476
Forward currency contract movement	<b><u>79,353</u></b>	<u>723</u>

Auditors' remuneration for non audit work includes the fees of £5,250 (2019: £5,405) payable to the company's auditors for the audit of its fellow subsidiary company, GJ Handy (Property) Limited, and for the GJ Handy (Holdings) Limited Group as a whole.

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Bank interest	<b>21,354</b>	23,694
Hire purchase	<b><u>5,716</u></b>	<u>9,576</u>
	<b><u>27,070</u></b>	<u>33,270</u>

**8. TAXATION****Analysis of the tax charge/(credit)**

The tax charge/(credit) on the profit for the year was as follows:

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Current tax:		
UK corporation tax	<b>142,849</b>	(49,907)
Over/under provision in previous year	<b><u>-</u></b>	<u>(219)</u>
Total current tax	<b>142,849</b>	(50,126)
Deferred tax	<b><u>(24,196)</u></b>	<u>(20,620)</u>
Tax on profit/(loss)	<b><u>118,653</u></b>	<u>(70,746)</u>

UK corporation tax was charged at 19% in 2019.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2020**

**8. TAXATION - continued****Reconciliation of total tax charge/(credit) included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Profit/(loss) before tax	<b><u>618,276</u></b>	<b><u>(1,331,661)</u></b>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	<b>117,472</b>	(253,016)
Effects of:		
Expenses not deductible for tax purposes	<b>184</b>	165,403
Utilisation of tax losses	-	11,036
Adjustments to tax charge in respect of previous periods	-	(219)
Other	<b><u>997</u></b>	<u>6,050</u>
Total tax charge/(credit)	<b><u>118,653</u></b>	<b><u>(70,746)</u></b>

The deferred tax charge of £24,196 (2019: £20,620) relates to the origination and reversal of temporary timing differences.

**9. DIVIDENDS**

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Interim	<b><u>168,554</u></b>	<u>380,573</u>

**10. INTANGIBLE FIXED ASSETS**

	<b>Website costs</b>
	<b>£</b>
<b>COST</b>	
At 1 December 2019 and 30 November 2020	<b><u>22,000</u></b>
<b>AMORTISATION</b>	
At 1 December 2019	<b>19,075</b>
Amortisation for year	<b><u>2,925</u></b>
At 30 November 2020	<b><u>22,000</u></b>
<b>NET BOOK VALUE</b>	
At 30 November 2020	<u>-</u>
At 30 November 2019	<u>2,925</u>



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2020**

**11. PROPERTY, PLANT AND EQUIPMENT**

	<b>Property improvements £</b>	<b>Plant and machinery £</b>	<b>Fixtures and fittings £</b>
<b>COST</b>			
At 1 December 2019	<b>8,760</b>	<b>240,354</b>	<b>9,034</b>
Additions	-	-	-
Disposals	-	-	-
At 30 November 2020	<b>8,760</b>	<b>240,354</b>	<b>9,034</b>
<b>DEPRECIATION</b>			
At 1 December 2019	<b>3,054</b>	<b>212,666</b>	<b>9,034</b>
Charge for year	<b>876</b>	<b>14,084</b>	-
Eliminated on disposal	-	-	-
At 30 November 2020	<b>3,930</b>	<b>226,750</b>	<b>9,034</b>
<b>NET BOOK VALUE</b>			
At 30 November 2020	<b>4,830</b>	<b>13,604</b>	-
At 30 November 2019	<b>5,706</b>	<b>27,688</b>	-
	<b>Motor vehicles £</b>	<b>Computer equipment £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 December 2019	<b>818,965</b>	<b>57,999</b>	<b>1,135,112</b>
Additions	<b>20,995</b>	<b>1,291</b>	<b>22,286</b>
Disposals	<b>(124,806)</b>	<b>(994)</b>	<b>(125,800)</b>
At 30 November 2020	<b>715,154</b>	<b>58,296</b>	<b>1,031,598</b>
<b>DEPRECIATION</b>			
At 1 December 2019	<b>579,627</b>	<b>44,897</b>	<b>849,278</b>
Charge for year	<b>101,955</b>	<b>4,023</b>	<b>120,938</b>
Eliminated on disposal	<b>(112,251)</b>	<b>(993)</b>	<b>(113,244)</b>
At 30 November 2020	<b>569,331</b>	<b>47,927</b>	<b>856,972</b>
<b>NET BOOK VALUE</b>			
At 30 November 2020	<b>145,823</b>	<b>10,369</b>	<b>174,626</b>
At 30 November 2019	<b>239,338</b>	<b>13,102</b>	<b>285,834</b>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2020**

**11. PROPERTY, PLANT AND EQUIPMENT - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Plant and machinery £</b>	<b>Motor vehicles £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 December 2019	<b>31,007</b>	<b>319,983</b>	<b>350,990</b>
Additions	-	<b>20,995</b>	<b>20,995</b>
Disposals	-	<b>(37,771)</b>	<b>(37,771)</b>
Transfer to ownership	<b>(15,969)</b>	<b>(100,791)</b>	<b>(116,760)</b>
At 30 November 2020	<b><u>15,038</u></b>	<b><u>202,416</u></b>	<b><u>217,454</u></b>
<b>DEPRECIATION</b>			
At 1 December 2019	<b>15,597</b>	<b>214,396</b>	<b>229,993</b>
Charge for year	<b>6,201</b>	<b>49,131</b>	<b>55,332</b>
Eliminated on disposal	-	<b>(29,837)</b>	<b>(29,837)</b>
Transfer to ownership	<b>(12,775)</b>	<b>(87,729)</b>	<b>(100,504)</b>
At 30 November 2020	<b><u>9,023</u></b>	<b><u>145,961</u></b>	<b><u>154,984</u></b>
<b>NET BOOK VALUE</b>			
At 30 November 2020	<b><u>6,015</u></b>	<b><u>56,455</u></b>	<b><u>62,470</u></b>
At 30 November 2019	<b><u>15,410</u></b>	<b><u>105,587</u></b>	<b><u>120,997</u></b>

**12. INVENTORIES**

	<b>2020 £</b>	<b>2019 £</b>
Spares stock	<b>490,583</b>	588,918
Machinery stock	<b><u>2,185,323</u></b>	<u>4,320,917</u>
	<b><u>2,675,906</u></b>	<u>4,909,835</u>

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020 £</b>	<b>2019 £</b>
Trade debtors	<b>1,156,722</b>	948,611
Amounts owed by group undertakings	<b>209,934</b>	-
Amounts owed by participating interests	<b>1,756,824</b>	1,756,824
Other debtors	<b>86,578</b>	1,628
Forward currency contracts	-	22,122
Corporation tax recoverable	<b>49,907</b>	49,907
Prepayments and accrued income	<b><u>150,248</u></b>	<u>254,555</u>
	<b><u>3,410,213</u></b>	<u>3,033,647</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts (see note 16)	-	626,024
Hire purchase contracts (see note 17)	<b>54,701</b>	97,981
Trade creditors	<b>1,483,933</b>	1,899,691
Amounts owed to group undertakings	<b>212</b>	170
Corporation tax	<b>142,849</b>	-
Social security and other taxes	<b>33,875</b>	32,005
VAT	<b>76,605</b>	77,160
Other creditors	<b>62,760</b>	57,698
Forward currency contracts	<b>80,076</b>	22,845
Directors' current accounts	<b>18,022</b>	79,647
Accruals and deferred income	<b>356,749</b>	278,995
	<b><u>2,309,782</u></b>	<b><u>3,172,216</u></b>

Included in other creditors is an amount of £5,259 (2019: £5,875) in relation to pension contributions owing.

**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Hire purchase contracts (see note 17)	<b><u>19,148</u></b>	<b><u>60,273</u></b>

The terms of the hire purchase agreements for the above balance have repayments in equal instalments ending between December 2020 and February 2023, at interest rates that vary between 2.50% and 3.30%

**16. LOANS**

An analysis of the maturity of loans is given below:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year or on demand:		
Bank overdrafts	<b><u>-</u></b>	<b><u>626,024</u></b>

**17. LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	<b>Hire purchase contracts</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net obligations repayable:		
Within one year	<b>54,701</b>	97,981
Between one and five years	<b><u>19,148</u></b>	<b><u>60,273</u></b>
	<b><u>73,849</u></b>	<b><u>158,254</u></b>

The company rents its premises from its fellow group company, GJ Handy (Property) Limited; there is no formal agreement in place.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2020**

**18. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Bank overdrafts	-	626,024
Hire purchase contracts	<b>73,849</b>	<b>158,254</b>
	<b><u>73,849</u></b>	<b><u>784,278</u></b>

Obligations under hire purchase are secured on the assets concerned.

The company has a bank overdraft facility. The use of the facility is secured by the following:

A debenture dated 16th June 2009 over all assets of the company.

A unlimited inter-company guarantee dated 19th November 2015 for GJ Handy (Property) Limited and GJ Handy (Holdings) Limited.

**19. FINANCIAL INSTRUMENTS**

The Company's financial instruments may be analysed as follows:

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
<b>Financial assets</b>		
Financial assets measured at fair value	-	<u>22,122</u>
	<u>-</u>	<u>22,122</u>
 <b>Financial liabilities</b>		
Financial liabilities measured at fair value	<u>80,076</u>	<u>22,845</u>
	<u>80,076</u>	<u>22,845</u>

**Fair value of financial assets and liabilities**

The company enters into forward foreign currency contracts to mitigate the exchange rate risk for certain foreign currency payables. As at 30 November 2020, the outstanding contracts commit the company into purchasing a total of \$4,053,712 (2019: \$28,609) for a fixed sterling amount. All outstanding contracts are due to mature within 7 months (2019: 4 months) of the period end and are measured using observable exchange rates. The movement in fair value on these contracts at the financial position date is a loss of £79,353 (2019: loss of £723), recognised within administration costs.

**20. PROVISIONS FOR LIABILITIES**

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Deferred tax		
Accelerated capital allowances	<b>18,733</b>	42,929
Warranty provision	<b>46,474</b>	<u>46,408</u>
	<b><u>65,207</u></b>	<u>89,337</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 NOVEMBER 2020**

**20. PROVISIONS FOR LIABILITIES - continued**

	<b>Deferred tax £</b>	<b>Other provisions £</b>
Balance at 1 December 2019	<b>42,929</b>	<b>46,408</b>
Credit to Statement of Comprehensive Income during year	<b>(24,196)</b>	<b>-</b>
Balance at 30 November 2020	<b><u>18,733</u></b>	<b><u>46,408</u></b>

The other provision relates to warranty costs on certain product lines, expected within the next 12 months.

**21. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			<b>2020</b>	<b>2019</b>
Number:	Class:	Nominal value:	<b>£</b>	<b>£</b>
17,000	Ordinary	£1	<b><u>17,000</u></b>	<b><u>17,000</u></b>

Ordinary shares have full voting rights.

**22. RESERVES**

	<b>Retained earnings £</b>	<b>Capital redemption reserve £</b>	<b>Totals £</b>
At 1 December 2019	<b>4,885,054</b>	<b>9,000</b>	<b>4,894,054</b>
Profit for the year	<b>499,623</b>		<b>499,623</b>
Dividends	<b>(168,554)</b>		<b>(168,554)</b>
At 30 November 2020	<b><u>5,216,123</u></b>	<b><u>9,000</u></b>	<b><u>5,225,123</u></b>

**23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 30 November 2020 and 30 November 2019:

	<b>2020 £</b>	<b>2019 £</b>
<b>Mr S A Belcher</b>		
Balance outstanding at start of year	-	-
Amounts advanced	<b>22,053</b>	123,939
Amounts repaid	<b>(22,053)</b>	(123,939)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<b><u>-</u></b>	<b><u>-</u></b>
 <b>Mr D L Belcher</b>		
Balance outstanding at start of year	-	-
Amounts advanced	-	80,000
Amounts repaid	-	(80,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<b><u>-</u></b>	<b><u>-</u></b>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 NOVEMBER 2020**

**23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued**

The loan was provided interest free and was repayable on demand.

**24. RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Other related parties - entities controlled or jointly controlled by key management personnel**

	2020 £	2019 £
Wages recharged to related parties	-	17,382
Administration fees paid on behalf of related parties	-	53
Sale of an asset to a director	5,000	-
Amount due from related parties	<u>1,756,824</u>	<u>1,777,683</u>

During the year, the key management personnel are considered to be the directors' only.

**25. POST BALANCE SHEET EVENTS**

After the balance sheet date but before these financial statements were authorised for issue, the company declared and paid dividends totalling £171,545.

**26. ULTIMATE CONTROLLING PARTY**

The company's immediate and ultimate parent company is GJ Handy (Holdings) Limited, a private company, limited by shares and registered in England and Wales. The registered office of this company is Murdock Road, Dorcan, Swindon, Wiltshire, SN3 5HY,

The ultimate controlling party is considered to be Mr S A Belcher, being the majority shareholder of GJ Handy (Holdings) Limited

**27. OTHER MATTERS**

During the year, the World Health Organisation declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. COVID-19 is having significant effects on global markets, supply chains, businesses, and communities. Through government support, partial restructuring and strong ecommerce business which has been driven by periods of high street lockdowns the business remained strong however moving into yearend 2020/2021 the knock-on effects of COVID-19 have had major implications in supply chain and pricing of which the full effect is not yet known.