Company Registration No. 02074260 (England and Wales)

BURGON & BALL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

BURGON & BALL LIMITED

COMPANY INFORMATION

Directors	R Schubert	(Appointed 1 June 2020)
	P Izeta	(Appointed 1 June 2021)
Company number	02074260	
Registered office	Units 17/19 Oakham Drive Parkwood Industrial Estate Sheffield S3 9QX	
Auditor	Ernst & Young LLP 1 Bridgewater Place Leeds LS11 5QR	
Bankers	National Westminster Bank plc 1 St Paul's Place 121 Norfolk Street Sheffield S1 2JF	

BURGON & BALL LIMITED

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BURGON & BALL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and financial statements for the year ended 31 December 2020.

Principal activities
The principal activity of the company is the manufacture and sale of agricultural and garden hand tools.

Directors
The following directors have held office since 1 January 2020:

S J Erickson	(Resigned 1 June 2021)
C V Guinea	(Resigned 1 June 2020)
R Schubert	(Appointed 1 June 2020)
P Izeta	(Appointed 1 June 2021)

Auditor
Ernst and Young LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

DocuSigned by:
R Schubert
17614A2DC7BE42E...
....
R Schubert
Director

....
December 16, 2021

BURGON & BALL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the 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.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BURGON & BALL LIMITED

Opinion
We have audited the financial statements of Burgon & Ball Limited (the 'company') for the year ended 31 December 2020 which comprise of the Profit and Loss Account, the Balance Sheet and the Statement of changes in equity and the related notes 1 to 13, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:
- give a true and fair view of the company's affairs as at 31 December 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 1 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for from when the financial statements are authorised for issue to 31 December 2022.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

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

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF BURGON & BALL 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those relate to the reporting framework (FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Companies Act 2006).
- We understood how Burgon & Ball Limited is complying with that framework by making enquiries of those charged with governance, management and those responsible for compliance and legal matters. We corroborated our enquiries through our review of Board minutes and consideration of the results of our audit procedures performed across the company, including audit procedures in respect of the compliance of these financial statements with the disclosure requirements of FRS 102 and the Companies Act 2006.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur in relation to financial reporting and the effectiveness of the company's controls and procedures in respect of fraud prevention. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. These procedures included reviewing any manual journals which have a higher susceptibility to management override of controls, assessing the compliance of the financial statements with the required reporting frameworks, and assessing the company's compliance with the applicable laws and regulations.
- A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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.

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Ernst & Young LLP

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Peter Buckler (Senior statutory auditor)
for and on behalf of
Ernst & Young LLP (Statutory Auditor)

1 Bridgewater Place
Leeds
LS11 5QR

December 16, 2021

BURGON & BALL LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Turnover		7,733,408	6,603,318
Cost of sales		(3,735,093)	(3,239,078)
Gross profit		3,998,315	3,364,240
Distribution costs		(1,941,968)	(1,922,737)
Administrative expenses		(1,161,016)	(927,085)
Operating profit		895,331	514,418
Interest receivable and similar income		223	782
Profit before taxation		895,554	515,200
Taxation	4	(116,368)	(15,818)
Profit for the financial year		779,186	499,382

BURGON & BALL LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Intangible assets	6		-		6,666
Tangible assets	7		157,278		150,646
			157,278		157,312
Current assets					
Stocks	8	1,583,711		1,471,602	
Debtors	9	765,521		704,181	
Cash at bank and in hand		709,138		331,376	
		3,058,370		2,507,159	
Creditors: amounts falling due within one year	10	(1,404,176)		(896,571)	
Net current assets			1,654,194		1,610,588
Total assets less current liabilities			1,811,472		1,767,900
Deferred Tax			(23,000)		(20,000)
Net assets			1,788,472		1,747,900
Capital and reserves					
Called up share capital	11		101,000		101,000
Profit and loss reserves			1,687,472		1,646,900
Total equity			1,788,472		1,747,900

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on December 16, 2021 and are signed on its behalf by:

DocuSigned by:
R Schubert
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R Schubert
Director

Company Registration No. 02074260

BURGON & BALL LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2019		101,000	1,447,518	1,548,518
Year ended 31 December 2019:				
Profit and total comprehensive income for the year		-	499,382	499,382
Cash dividends	5	-	(300,000)	(300,000)
Balance at 31 December 2019		101,000	1,646,900	1,747,900
Year ended 31 December 2020:				
Profit and total comprehensive income for the year		-	779,186	779,186
Cash dividends	5	-	(738,614)	(738,614)
Balance at 31 December 2020		101,000	1,687,472	1,788,472

BURGON & BALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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1 Accounting policies

Company information

Burgon & Ball Limited is a private company limited by shares incorporated in England and Wales. The registered office is Units 17/19 Oakham Drive, Parkwood Industrial Estate, Sheffield, S3 9QX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

Going concern considerations

The business continues to trade successfully through the turbulence of COVID-19. It benefitted considerably by the boom in gardening activity during lockdown and this new demand has continued after lockdown restrictions have been eased in the Summer of 2021.

New business selling product to a large UK DIY chain has been very successful in 2021 exceeding initial forecasts with higher sales predicted in 2022. In addition, we have been successful in acquiring an additional UK DIY chain for 2022 as well as a large well known UK retailer.

However, 2021 quarter 4 sales are indicating a slight decline in the sector and this has been incorporated into our plan for 2022. We still expect a small overall growth in sales in 2022 due to the new business acquired in the UK and in addition to a predicted growth in EU sales as we establish a plan to make the Company more competitive post Brexit.

Profitability continues to increase as turnover grows, however we have seen a negative impact on margins as costs of imports increase substantially because of the Worldwide freight situation.

The Company uses its own cash reserves (£709,000 as at 31 December 2020) and group cash pooling arrangements to meet day to day working capital requirements.

The directors have prepared detailed budgets and cashflow forecasts for the period to 31 December 2022 and have run sensitivity analysis on those forecasts. The forecasts (before sensitivity) indicate that the company will, in aggregate, over the forecast period deposit funds in the group cash pool. The sensitivities considered show the company would draw on the cash pooling arrangement but stay well within the limits agreed on that arrangement. Given the group cash pool arrangement in place, a letter of support has been obtained from the parent NATT Tools Group Inc. covering the forecast period. After considering the banking facilities available to the parent and the consolidated trading performance of NATT Tools Group Inc. group the directors have concluded the parent can financially support the business if called upon to do so. Given the above the directors have a reasonable expectation that the company has adequate resources, and if needed support, to continue in operational existence for the foreseeable future. Thus, the financial statements have therefore been prepared on a going concern basis.

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

1.2 Turnover

Turnover represents invoiced sales net of VAT and trade discounts.

BURGON & BALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies **(Continued)**

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

1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	33% straight line

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% - 10% Straight line
Leasehold land and buildings	over the term of the lease
Plant, fixtures and fittings	5% - 20% Straight line
Fixtures, fittings & equipment	20% Straight line
Motor vehicles	25% Straight line

BURGON & BALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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1 Accounting policies **(Continued)**

1.4 Tangible fixed assets - continued

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

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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

1.6 Stocks

Stocks are valued consistently at the lower of cost and net realisable value. Cost includes production overhead appropriate to the stage of production reached and net realisable value is the price at which the stock could be realised in the normal course of business. Provision is made for obsolete, slow moving and defective stock.

Stock in transit is recognised in the company's financial statements upon legal title for the goods transferring to the company or the practical risks and rewards of ownership being transferred, whichever is the earliest.

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

1.7 Cash and cash equivalents

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

1 Accounting policies **(Continued)**

1.8 Financial instruments

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

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

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

Basic financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

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

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

BURGON & BALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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1 Accounting policies (Continued)

1.10 Taxation

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

Current tax

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

Deferred tax

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

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.12 Retirement benefits

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

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 Foreign exchange

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

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 44 (2019 - 43).

3 Auditor's remuneration

Auditor's remuneration for the audit of the company's financial statements (and those of its immediate parent borne by this entity) totalled £33,000 excluding expenses and VAT (2019: £30,000).

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4 Taxation

	2020	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	113,368	55,018
Adjustments in respect of prior periods	-	(39,200)
Total current tax	113,368	15,818
Deferred tax		
Origination and reversal of timing differences	3,000	-
Total tax charge	116,368	15,818

5 Dividends and distributions

	2020	2019
	£	£
Distributions to parent		
Amounts paid	738,614	300,000

6 Intangible fixed assets

	Other
	£
Cost	
At 1 January 2020 and 31 December 2020	20,000
Amortisation and impairment	
At 1 January 2020	13,334
Amortisation charged for the year	6,666
At 31 December 2020	20,000
Carrying amount	
At 31 December 2020	-
At 31 December 2019	6,666

BURGON & BALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Tangible fixed assets

	Land and buildings	Plant, fixtures and fittings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2020	76,524	258,359	120,376	7,995	463,254
Additions	-	14,562	38,610	-	53,172
At 31 December 2020	76,524	272,921	158,986	7,995	516,426
Depreciation and impairment					
At 1 January 2020	19,494	195,466	90,722	6,926	312,608
Depreciation charged in the year	15,301	20,329	9,841	1,069	46,540
At 31 December 2020	34,795	215,795	100,563	7,995	359,148
Carrying amount					
At 31 December 2020	41,729	57,126	58,423	-	157,278
At 31 December 2019	57,030	62,893	29,654	1,069	150,646

8 Stocks

	2020	2019
	£	£
Stocks	1,583,711	1,471,602

All stocks are goods held for resale. The replacement cost of stock is not materially different from carry value. A impairment gain of £85,732 (2019: £16,527) was recognised in cost of sales against stock during the year due to slow moving and obsolete stock. Stocks recognised as an expense in the period were £3,507,788 (2019: £2,882,037).

9 Debtors

Amounts falling due within one year:	2020	2019
	£	£
Trade debtors	663,051	592,699
Other debtors	102,470	111,482
	765,521	704,181

BURGON & BALL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	713,470	599,744
Amounts owed to parent undertakings	91,624	25,386
Corporation tax	113,368	15,818
Other taxation and social security	71,602	117,432
Other creditors	414,112	138,191
	1,404,176	896,571

11 Called up share capital

	2020	2019
	£	£
Ordinary share capital		
Allotted, called up and fully paid		
101,000 ordinary shares of £1 each	101,000	101,000
	101,000	101,000

12 Operating lease commitments

Lessee

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

	2020	2019
	£	£
Within one year	237,733	196,846
Between two and five years	484,459	631,377
	722,192	828,223

13 Controlling party

The ultimate controlling party is Natt Tools Group Inc, a company incorporated in Canada.

VNPI Global Investments & Services S.L. prepares group financial statements, which is the smallest group to consolidate these financial statements and copies can be obtained from Poligono Industrial de Legazpi, Urola Kalea, 10, 20320 Lagazpi, Gipuzkoa, Espana.