

Company Registration No. 02172956 (England and Wales)

THE HELPING HAND COMPANY (LEDBURY) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

THE HELPING HAND COMPANY (LEDBURY) LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | G H James H J James S Everest O James |
| Secretary | H J James |
| Company number | 02172956 |
| Registered office | Unit 9 Bromyard Road Trading Estate Ledbury Herefordshire United Kingdom HR8 1NS |
| Auditor | Azets Audit Services 5 Pullman Court Great Western Road Gloucester Gloucestershire United Kingdom GL1 3ND |
| Business address | Unit 9 Bromyard Road Trading Estate Ledbury Herefordshire United Kingdom HR8 1NS |

THE HELPING HAND COMPANY (LEDBURY) LIMITED

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THE HELPING HAND COMPANY (LEDBURY) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The directors present the strategic report for the year ended 30 June 2021.

Fair review of the business

With the continued growth in the ageing population, the industry has further expanded and all sectors in which the company operates have experienced growth during the financial year.

The company continues to pursue the development of unique value-added products largely supported by ongoing investment into its research and development programme.

The company has maintained a level of reserves for potential corporate acquisition opportunities and investment as part of its growth strategy.

The company remains on a sound financial footing capable of facing changes in the market.

The company anticipates marginal growth over the next twelve months.

The directors are satisfied with the strategic performance of the company during the period and its position at the year end.

Principal risks and uncertainties

Pandemics such as Covid-19 create uncertainty which can have a detrimental effect on business. In this situation, the company has worked with its employees, suppliers and customers to manage the situation to the greatest extent possible. The company has adequate resources, net assets and a positive cash balance to continue in operational existence for the foreseeable future. The company has not seen the need to apply for any government financial support other than that of the furlough scheme.

On behalf of the board

G H James
Director

1 November 2021

THE HELPING HAND COMPANY (LEDBURY) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The directors present their annual report and financial statements for the year ended 30 June 2021.

Principal activities

The principal activity of the company continued to be that of the manufacture and supply of reaching aids for both the daily living and litter clearance markets, and the manufacture and supply of specialist chairs and hoists for the disabled.

Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £220,000. The directors do not recommend payment of a further dividend.

Directors

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

G H James
H J James
S Everest
O James

Auditor

The auditor, Azets Audit Services, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

On 7 September 2020 Group Audit Services Limited trading as Baldwins Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

THE HELPING HAND COMPANY (LEDBURY) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

Statement of directors' responsibilities

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;
- 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 of disclosure to auditor

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

On behalf of the board

G H James
Director

1 November 2021

THE HELPING HAND COMPANY (LEDBURY) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE HELPING HAND COMPANY (LEDBURY) LIMITED

Opinion

We have audited the financial statements of The Helping Hand Company (Ledbury) Limited (the 'company') for the year ended 30 June 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

THE HELPING HAND COMPANY (LEDBURY) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE HELPING HAND COMPANY (LEDBURY) LIMITED

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

Responsibilities of directors

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

Auditor's responsibilities for the audit of the financial statements

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

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.

THE HELPING HAND COMPANY (LEDBURY) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE HELPING HAND COMPANY (LEDBURY) LIMITED

Extent to which 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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

Robert Van Ryssen (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

1 November 2021

Chartered Accountants
Statutory Auditor

5 Pullman Court
Great Western Road
Gloucester
Gloucestershire
United Kingdom
GL1 3ND

THE HELPING HAND COMPANY (LEDBURY) LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

| | Notes | 2021 £ | 2020 £ |
|--|----------|-------------|-------------|
| Turnover | 3 | 17,390,660 | 15,046,943 |
| Cost of sales | | (7,758,192) | (6,137,382) |
| Gross profit | | 9,632,468 | 8,909,561 |
| Administrative expenses | | (6,800,033) | (6,474,665) |
| Other operating income | | 156,744 | - |
| Operating profit | 4 | 2,989,179 | 2,434,896 |
| Interest receivable and similar income | 7 | 37,324 | 12,611 |
| Interest payable and similar expenses | 8 | - | (986) |
| Profit before taxation | | 3,026,503 | 2,446,521 |
| Tax on profit | 9 | (448,030) | (258,136) |
| Profit for the financial year | | 2,578,473 | 2,188,385 |

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

THE HELPING HAND COMPANY (LEDBURY) LIMITED

BALANCE SHEET

AS AT 30 JUNE 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--|-------|--------------------|-------------------|--------------------|-------------------|
| Fixed assets | | | | | |
| Intangible assets | 11 | 25,360 | | 29,042 | |
| Tangible assets | 12 | 2,578,354 | | 2,742,188 | |
| Investments | 13 | 96 | | 96 | |
| | | <u>2,603,810</u> | | <u>2,771,326</u> | |
| Current assets | | | | | |
| Stocks | 15 | 1,229,910 | | 1,402,726 | |
| Debtors | 16 | 3,248,648 | | 1,955,760 | |
| Cash at bank and in hand | | 9,107,147 | | 6,696,349 | |
| | | <u>13,585,705</u> | | <u>10,054,835</u> | |
| Creditors: amounts falling due within one year | 17 | <u>(2,498,350)</u> | | <u>(1,553,932)</u> | |
| Net current assets | | | 11,087,355 | | 8,500,903 |
| Total assets less current liabilities | | | 13,691,165 | | 11,272,229 |
| Creditors: amounts falling due after more than one year | 18 | | - | | (6,076) |
| Provisions for liabilities | | | | | |
| Deferred tax liability | 19 | 178,982 | | 112,443 | |
| | | <u>(178,982)</u> | | <u>(112,443)</u> | |
| Net assets | | | <u>13,512,183</u> | | <u>11,153,710</u> |
| Capital and reserves | | | | | |
| Called up share capital | 22 | 9,000 | | 9,000 | |
| Capital redemption reserve | | 1,000 | | 1,000 | |
| Profit and loss reserves | | 13,502,183 | | 11,143,710 | |
| Total equity | | | <u>13,512,183</u> | | <u>11,153,710</u> |

The financial statements were approved by the board of directors and authorised for issue on 1 November 2021 and are signed on its behalf by:

G H James
Director

Company Registration No. 02172956

THE HELPING HAND COMPANY (LEDBURY) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

| | Notes | Share capital £ | Capital redemption reserve £ | Profit and loss reserves £ | Total £ |
|--|-------|--------------------|---------------------------------------|----------------------------------|------------|
| Balance at 1 July 2019 | | 9,000 | 1,000 | 9,155,325 | 9,165,325 |
| Year ended 30 June 2020: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 2,188,385 | 2,188,385 |
| Dividends | 10 | - | - | (200,000) | (200,000) |
| Balance at 30 June 2020 | | 9,000 | 1,000 | 11,143,710 | 11,153,710 |
| Year ended 30 June 2021: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 2,578,473 | 2,578,473 |
| Dividends | 10 | - | - | (220,000) | (220,000) |
| Balance at 30 June 2021 | | 9,000 | 1,000 | 13,502,183 | 13,512,183 |

THE HELPING HAND COMPANY (LEDBURY) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--|-------|-------------------------|---|-------------------------|---|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 29 | 3,060,873 | | 3,703,593 | |
| Interest paid | | - | | (986) | |
| Income taxes paid | | (212,374) | | (224,580) | |
| Net cash inflow from operating activities | | <u>2,848,499</u> | | <u>3,478,027</u> | |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (693,547) | | (605,538) | |
| Proceeds on disposal of tangible fixed assets | | 444,599 | | 45,896 | |
| Receipts arising from loans made | | - | | 218,800 | |
| Interest received | | 37,324 | | 12,611 | |
| Net cash used in investing activities | | <u>(211,624)</u> | | <u>(328,231)</u> | |
| Financing activities | | | | | |
| Payment of finance leases obligations | | (6,077) | | (14,515) | |
| Dividends paid | | (220,000) | | (200,000) | |
| Net cash used in financing activities | | <u>(226,077)</u> | | <u>(214,515)</u> | |
| Net increase in cash and cash equivalents | | <u>2,410,798</u> | | <u>2,935,281</u> | |
| Cash and cash equivalents at beginning of year | | 6,696,349 | | 3,761,068 | |
| Cash and cash equivalents at end of year | | <u><u>9,107,147</u></u> | | <u><u>6,696,349</u></u> | |

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Company information

The Helping Hand Company (Ledbury) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 9, Bromyard Road Trading Estate, Ledbury, Herefordshire, United Kingdom, HR8 1NS.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

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

The company has taken advantage under sections 402 and 405 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the subsidiary undertakings are not material to the group for the purpose of giving a true and fair view.

The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

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

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.4 Research and development expenditure

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

1.5 Intangible fixed assets 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:

| | |
|---------|-------------------------------|
| Patents | Over the patent's useful life |
|---------|-------------------------------|

1.6 Tangible fixed assets

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

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:

| | |
|-----------------------------|-----------------------|
| Land and buildings Freehold | 1% straight line |
| Plant and machinery | 20%-25% straight line |
| Motor vehicles | 25% straight line |

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

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.8 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.

1.9 Stocks

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

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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.

1.10 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.

1.11 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.

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

Basic financial assets

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

Other financial assets

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

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

Classification of financial liabilities

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

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

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.

Other financial liabilities

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

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

Derecognition of financial liabilities

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

1.12 Equity instruments

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

1.13 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.14 Taxation

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

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

Current tax

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

Deferred tax

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

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

1.15 Employee benefits

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

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

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

1.17 Leases

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

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

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

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.18 Government grants

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

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

1.19 Foreign exchange

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

2 Judgements and key sources of estimation uncertainty

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

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

3 Turnover and other revenue

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

| | 2021 £ | 2020 £ |
|---|-------------------|-------------------|
| Turnover analysed by class of business | | |
| The Helping Hand Company (Ledbury) Limited | 17,313,902 | 15,046,943 |
| | <u> </u> | <u> </u> |
| | 2021 £ | 2020 £ |
| Other significant revenue | | |
| Interest income | 37,324 | 12,611 |
| Grants received | 156,744 | - |
| | <u> </u> | <u> </u> |

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

3 Turnover and other revenue (Continued)

| | 2021 £ | 2020 £ |
|---|-------------------|-------------------|
| Turnover analysed by geographical market | | |
| United Kingdom | 11,639,364 | 10,304,188 |
| United States of America | 1,165,472 | 975,202 |
| Other | 4,509,066 | 3,767,553 |
| | <u>17,313,902</u> | <u>15,046,943</u> |

4 Operating profit

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Operating profit for the year is stated after charging/(crediting): | | |
| Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss | 88,006 | (13,846) |
| Research and development costs | 123,293 | 53,383 |
| Government grants | (156,744) | - |
| Fees payable to the company's auditor for the audit of the company's financial statements | 6,750 | 6,500 |
| Depreciation of owned tangible fixed assets | 438,149 | 445,815 |
| Depreciation of tangible fixed assets held under finance leases | 6,511 | 6,511 |
| Profit on disposal of tangible fixed assets | (31,878) | (34,431) |
| Amortisation of intangible assets | 3,682 | 3,683 |
| Operating lease charges | 368,665 | 315,378 |
| | <u>368,665</u> | <u>315,378</u> |

5 Employees

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

| | 2021 Number | 2020 Number |
|--------------------------|----------------|----------------|
| Production | 99 | 99 |
| Sales and servicing | 58 | 58 |
| Administration | 16 | 16 |
| Research and development | 10 | 10 |
| | <u>183</u> | <u>183</u> |
| Total | <u>183</u> | <u>183</u> |

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

5 Employees (Continued)

Their aggregate remuneration comprised:

| | 2021 £ | 2020 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 5,537,999 | 5,420,098 |
| Social security costs | 501,827 | 481,966 |
| Pension costs | 394,442 | 213,905 |
| | <u>6,434,268</u> | <u>6,115,969</u> |

6 Directors' remuneration

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Remuneration for qualifying services | 220,142 | 191,714 |
| Company pension contributions to defined contribution schemes | 80,000 | 80,000 |
| | <u>300,142</u> | <u>271,714</u> |

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2020 - 4).

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

| | 2021 £ | 2020 £ |
|--------------------------------------|----------------|----------------|
| Remuneration for qualifying services | <u>141,680</u> | <u>145,397</u> |

7 Interest receivable and similar income

| | 2021 £ | 2020 £ |
|--|---------------|---------------|
| Interest income | | |
| Interest on bank deposits | <u>37,324</u> | <u>12,611</u> |
| Investment income includes the following: | | |
| Interest on financial assets not measured at fair value through profit or loss | <u>37,324</u> | <u>12,611</u> |

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

8 Interest payable and similar expenses

| | 2021 | 2020 |
|--|-------------------|-------------------|
| | £ | £ |
| Other finance costs: | | |
| Interest on finance leases and hire purchase contracts | - | 986 |
| | <u> </u> | <u> </u> |

9 Taxation

| | 2021 | 2020 |
|--|-------------------|-------------------|
| | £ | £ |
| Current tax | | |
| UK corporation tax on profits for the current period | 381,491 | 212,374 |
| | <u> </u> | <u> </u> |
| Deferred tax | | |
| Origination and reversal of timing differences | 66,539 | 45,762 |
| | <u> </u> | <u> </u> |
| Total tax charge | <u>448,030</u> | <u>258,136</u> |

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

| | 2021 | 2020 |
|--|-------------------|-------------------|
| | £ | £ |
| Profit before taxation | 3,026,503 | 2,446,521 |
| | <u> </u> | <u> </u> |
| Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%) | 575,036 | 464,839 |
| Tax effect of expenses that are not deductible in determining taxable profit | 11,678 | 40 |
| Depreciation on assets not qualifying for tax allowances | 3,207 | 2,269 |
| Research and development tax credit | (142,107) | (209,012) |
| Deferred tax adjustments in respect of prior years | 370 | - |
| Profit on disposal of tangible assets | (154) | - |
| | <u> </u> | <u> </u> |
| Taxation charge for the year | <u>448,030</u> | <u>258,136</u> |

10 Dividends

| | 2021 | 2020 |
|------------|-------------------|-------------------|
| | £ | £ |
| Final paid | 220,000 | 200,000 |
| | <u> </u> | <u> </u> |

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

11 Intangible fixed assets

| | Patents £ |
|------------------------------------|--------------|
| Cost | |
| At 1 July 2020 | 55,220 |
| Disposals | (595) |
| At 30 June 2021 | 54,625 |
| Amortisation and impairment | |
| At 1 July 2020 | 26,178 |
| Amortisation charged for the year | 3,682 |
| Disposals | (595) |
| At 30 June 2021 | 29,265 |
| Carrying amount | |
| At 30 June 2021 | 25,360 |
| At 30 June 2020 | 29,042 |

12 Tangible fixed assets

| | Land and buildings Freehold £ | Plant and machinery £ | Motor vehicles £ | Total £ |
|------------------------------------|--|-----------------------------|---------------------|-------------|
| Cost | | | | |
| At 1 July 2020 | 1,770,325 | 3,476,352 | 1,006,894 | 6,253,571 |
| Additions | 55,479 | 517,366 | 120,702 | 693,547 |
| Disposals | (384,201) | (1,243,098) | (208,447) | (1,835,746) |
| At 30 June 2021 | 1,441,603 | 2,750,620 | 919,149 | 5,111,372 |
| Depreciation and impairment | | | | |
| At 1 July 2020 | 220,287 | 2,732,168 | 558,928 | 3,511,383 |
| Depreciation charged in the year | 14,032 | 211,447 | 219,181 | 444,660 |
| Eliminated in respect of disposals | - | (1,243,098) | (179,927) | (1,423,025) |
| At 30 June 2021 | 234,319 | 1,700,517 | 598,182 | 2,533,018 |
| Carrying amount | | | | |
| At 30 June 2021 | 1,207,284 | 1,050,103 | 320,967 | 2,578,354 |
| At 30 June 2020 | 1,550,038 | 744,184 | 447,966 | 2,742,188 |

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

12 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £6,511 (2020 - £6,511) for the year.

| | 2021 £ | 2020 £ |
|---------------------|-----------|-----------|
| Plant and machinery | 12,480 | 18,991 |

13 Fixed asset investments

| | Notes | 2021 £ | 2020 £ |
|-----------------------------|-------|-----------|-----------|
| Investments in subsidiaries | 24 | 96 | 96 |

Movements in fixed asset investments

| | Shares in group undertakings £ |
|-------------------------------|--------------------------------------|
| Cost or valuation | |
| At 1 July 2020 & 30 June 2021 | 96 |
| Carrying amount | |
| At 30 June 2021 | 96 |
| At 30 June 2020 | 96 |

14 Finance lease obligations

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Future minimum lease payments due under finance leases: | | |
| Within one year | 7,013 | 7,124 |
| In two to five years | - | 6,076 |
| | 7,013 | 13,200 |
| Less: future finance charges | - | (110) |
| | 7,013 | 13,090 |

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 2 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Amounts due under hire purchase agreements are secured by the assets to which they relate.

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

15 Stocks

| | 2021 £ | 2020 £ |
|-------------------------------------|------------------|------------------|
| Raw materials and consumables | 895,471 | 958,926 |
| Finished goods and goods for resale | 334,439 | 443,800 |
| | <u>1,229,910</u> | <u>1,402,726</u> |

Included within inventories are impairment provisions totalling £147,784 (2020: £182,300).

16 Debtors

| | 2021 £ | 2020 £ |
|--|------------------|------------------|
| Amounts falling due within one year: | | |
| Trade debtors | 2,998,779 | 1,514,591 |
| Amounts owed by undertakings in which the company has a participating interest | 93,918 | 90,751 |
| Other debtors | 1,597 | 237,552 |
| Prepayments and accrued income | 154,354 | 112,866 |
| | <u>3,248,648</u> | <u>1,955,760</u> |

17 Creditors: amounts falling due within one year

| | Notes | 2021 £ | 2020 £ |
|------------------------------------|-------|------------------|------------------|
| Obligations under finance leases | 14 | 7,013 | 7,014 |
| Trade creditors | | 888,572 | 402,221 |
| Corporation tax | | 381,491 | 212,374 |
| Other taxation and social security | | 382,470 | 207,129 |
| Other creditors | | 33,585 | 30,208 |
| Accruals and deferred income | | 805,219 | 694,986 |
| | | <u>2,498,350</u> | <u>1,553,932</u> |

18 Creditors: amounts falling due after more than one year

| | Notes | 2021 £ | 2020 £ |
|----------------------------------|-------|-----------|--------------|
| Obligations under finance leases | 14 | - | 6,076 |
| | | <u>-</u> | <u>6,076</u> |

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

19 Deferred taxation

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

| | Liabilities 2021 £ | Liabilities 2020 £ |
|-------------------------------|--------------------------|--------------------------|
| Balances: | | |
| ACAs | 178,982 | 112,443 |
| | <u>178,982</u> | <u>112,443</u> |
| Movements in the year: | | 2021 £ |
| Liability at 1 July 2020 | | 112,443 |
| Charge to profit or loss | | 66,539 |
| | | <u>178,982</u> |
| Liability at 30 June 2021 | | <u>178,982</u> |

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

20 Retirement benefit schemes

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | 394,442 | 213,905 |
| | <u>394,442</u> | <u>213,905</u> |

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

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

21 Operating lease commitments

Lessee

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

| | 2021 £ | 2020 £ |
|----------------------------|----------------|----------------|
| Within one year | 34,650 | 34,650 |
| Between two and five years | 138,600 | 138,600 |
| In over five years | 77,495 | 181,451 |
| | <u>250,745</u> | <u>354,701</u> |

22 Share capital

| | 2021 Number | 2020 Number | 2021 £ | 2020 £ |
|---|----------------|----------------|--------------|--------------|
| Ordinary share capital Issued and fully paid | | | | |
| Ordinary shares of £1 each | 9,000 | 9,000 | 9,000 | 9,000 |
| | <u>9,000</u> | <u>9,000</u> | <u>9,000</u> | <u>9,000</u> |

23 Related party transactions

During the year, the company sold goods and services to their joint venture company, Innocare B.V. totalling £978,207 (2020: £1,121,426). At year end, Innocare B.V. owed the company £93,918 (2020: £90,751). This amount was repaid after the year end.

The company occupied property owned by the Trustees of The Helping Hand Company Pension Fund at a rental of £234,833 (2020: £88,000) per annum. G H James and H J James are Trustees of the pension fund.

During the year, the company paid a pension contribution of £Nil (2020: £17,000) to The Helping Hand Company Pension Fund on behalf of A J Wilson, previously a company director.

24 Subsidiaries

These financial statements are separate company financial statements for The Helping Hand Company (Ledbury) Limited.

Details of the company's subsidiaries at 30 June 2021 are as follows:

| Subsidiary Undertaking | Country of registration | Class of shareholding | % Held |
|---------------------------------|----------------------------|--------------------------|--------|
| Symmetrikit Engineering Limited | England and Wales | Ordinary | 100 |

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

24 Subsidiaries (Continued)

| Name of undertaking | Nature of business | Profit/(Loss) for the year | £ | Capital and Reserves | £ |
|---------------------------------|--------------------|----------------------------|---|----------------------|---|
| Symmetrikit Engineering Limited | Dormant | - | | 100 | |

25 Events after the reporting date

On 01 July 2021 the company sold its freehold property to The Helping Hand Company Pension Fund for a consideration of £1,214,000. The original cost of the transferred property was £1,171,600. The profit on the sale of £42,400 will be reflected in the year ending 30 June 2022 financial statements.

26 Directors' transactions

Dividends totalling £220,000 (2020 - £200,000) were paid in the year in respect of shares held by the company's directors.

27 Joint ventures

These financial statements are separate company financial statements for The Helping Hand Company (Ledbury) Limited.

The Helping Hand Company (Ledbury) Limited purchased a 50% interest in Innocare B.V on 12 November 2001. Details of the company's joint ventures at 30 June 2021 are as follows:

| Name of undertaking | Class of shareholding | % Held | |
|---------------------|-----------------------|--------|----------|
| | | Direct | Indirect |
| Innocare B.V. | Ordinary | 50 | 50 |

| Name of undertaking | Country of incorporation | Nature of business |
|---------------------|--------------------------|-------------------------|
| Innocare B.V. | Netherlands | Supply of disabled aids |

The following figures are based on accounts produced for Innocare B.V and represent The Helping Hand Company (Ledbury) Limited's share of the company's results for the year ended 31 December 2020:

| | £ | £ |
|----------------------------------|---------|------------------|
| Share of turnover | | 1,353,665 |
| Share of profit before tax | 103,639 | |
| Taxation | 17,531 | |
| Share of profit after tax | | 86,108 |
| Share of assets | | |
| Fixed assets | 86,940 | |
| Current assets | 871,381 | |

THE HELPING HAND COMPANY (LEDBURY) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

| | | | |
|-----------|------------------------------|---------|--------------------|
| 27 | Joint ventures | | (Continued) |
| | | | 958,321 |
| | Share of liabilities | | |
| | Due within one year | 259,578 | |
| | Due after more than one year | - | |
| | | | 259,578 |
| | Share of net assets | | 698,743 |

28 Ultimate controlling party

The ultimate controlling parties are G H James and H J James by virtue of their majority shareholding.

29 Cash generated from operations

| | 2021 | 2020 |
|--|------------------|------------------|
| | £ | £ |
| Profit for the year after tax | 2,578,473 | 2,188,385 |
| Adjustments for: | | |
| Taxation charged | 448,030 | 258,136 |
| Finance costs | - | 986 |
| Investment income | (37,324) | (12,611) |
| Gain on disposal of tangible fixed assets | (31,878) | (34,431) |
| Amortisation and impairment of intangible assets | 3,682 | 3,683 |
| Depreciation and impairment of tangible fixed assets | 444,660 | 452,326 |
| Movements in working capital: | | |
| Decrease/(increase) in stocks | 172,816 | (128,248) |
| (Increase)/decrease in debtors | (1,292,888) | 1,227,947 |
| Increase/(decrease) in creditors | 775,302 | (252,580) |
| Cash generated from operations | 3,060,873 | 3,703,593 |

30 Analysis of changes in net funds

| | 1 July 2020 | Cash flows | 30 June 2021 |
|----------------------------------|--------------------|-------------------|---------------------|
| | £ | £ | £ |
| Cash at bank and in hand | 6,696,349 | 2,410,798 | 9,107,147 |
| Obligations under finance leases | (13,090) | 6,077 | (7,013) |
| | 6,683,259 | 2,416,875 | 9,100,134 |

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