

COMPANY REGISTRATION NUMBER: SC381841

**Newton Security Doors Limited**  
**Filleted Financial Statements**  
**For the year ended**  
**31 December 2020**

# Newton Security Doors Limited

## Financial Statements

**Year ended 31 December 2020**

### **Contents**

	<b>Page</b>
Directors' report	<b>1</b>
Statement of financial position	<b>4</b>
Notes to the financial statements	<b>5</b>

# **Newton Security Doors Limited**

## **Directors' Report**

### **Year ended 31 December 2020**

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

### **Principal activities**

The principal activity of the company during the year was the development, manufacture and installation of a range of steel and aluminium communal security doorsets and architectural metal work. Business Review We aim to present a balanced and comprehensive review of the development and performance of the business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of the business and is written in the context of the risks and uncertainties we face. The company was adversely and significantly affected by the Covid-19 pandemic which started during this 2020 financial year. The Directors had to take a commercially difficult decision to cease all business operations on March 25th 2020, with the primary view of protecting and keeping safe its employees. The first operations did not re-commence until July 2020 under safe Covid-19 working guidelines. The Covid-19 pandemic in 2020 hastened the Group's strategic operational reviews which were being undertaken to return this subsidiary company to a profitable trading position. The review was in order to reduce the cost base, improve efficiencies and increase beneficial internal management expertise from within the Group. This resulted in September 2020 with the company's manufacturing operation being relocated to the Group's head office manufacturing site, which will save costs and improve efficiencies through closer management of those operations. All Group manufacturing is now based at the Head office site. This relocation led to related closure and redundancy costs being incurred of £219k in the 2020 year. Although it is not possible to exactly quantify the financial impact and cost from the Covid-19 pandemic for the year, the losses incurred from non-trading periods were at a level in excess of £50k, and the Directors are of the opinion that the total effect of the pandemic will have been higher than that. So, the company's loss before taxation of £328k for the year would have been significantly less for the year if the Covid-19 pandemic had not occurred. The above actions undertaken by the Group has seen an improved financial performance of the company since 2020, with the company now operating at profitable levels in 2021. The Directors are of the view that that the improving financial performance will continue through the year to 31 December 2021 and beyond. With a realistic and aggressive strategic growth plan, it is appropriate to comment that the company is now in a position to be a sustained profitable business.

### **Directors**

The directors who served the company during the year were as follows:

P Payling

T M Strawson

A Patel

(Appointed 1 May 2020)

R D Butler

(Appointed 1 May 2020)

P Payling resigned as a director on 12 April 2021 . S Gatt was appointed as a director on 12 April 2021.

### **Directors' responsibilities statement**

The directors are responsible for preparing the directors' 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 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 judgments and accounting estimates that are reasonable and prudent; - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 27 September 2021 and signed on behalf of the board by:

R D Butler

Director

Registered office:

Room G6

14 - 18 East Shaw Street

Kilmarnock

Ayrshire

KA1 4AN

# Newton Security Doors Limited

## Statement of Financial Position

31 December 2020

		2020		2019
	Note	£	£	£
<b>Fixed assets</b>				
Intangible assets	5	2,194		6,851
Tangible assets	6	526,866		650,818
		529,060		657,669
<b>Current assets</b>				
Stocks		143,019		238,789
Debtors	7	175,006		239,059
Cash at bank and in hand		34,904		40,295
		352,929		518,143
<b>Creditors: amounts falling due within one year</b>	8	( 531,761)		( 713,803)
<b>Net current liabilities</b>			( 178,832)	( 195,660)
<b>Total assets less current liabilities</b>			350,228	462,009
<b>Creditors: amounts falling due after more than one year</b>	9		( 156,861)	( 227,026)
<b>Net assets</b>			193,367	234,983
<b>Capital and reserves</b>				
Called up share capital		3,000,000		2,738,000
Profit and loss account		( 2,806,633)		( 2,503,017)
<b>Shareholders funds</b>		193,367		234,983

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 27 September 2021 , and are signed on behalf of the board by:

R D Butler

Director

Company registration number: SC381841

# Newton Security Doors Limited

## Notes to the Financial Statements

**Year ended 31 December 2020**

### **1. General information**

The company is a private company limited by shares, registered in United Kingdom. The address of the registered office is Room G6, 14 - 18 East Shaw Street, Kilmarnock, KA1 4AN, Ayrshire.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

### **3. Accounting policies**

#### **(a) Basis of preparation**

The financial statements have been prepared on the historical cost basis. The Statement of financial position at 31 December 2020 shows net current liabilities. The parent company Bradbury Group Limited, has provided loan finance to the company in the sum of £300,660. Bradbury Group Limited have confirmed their support will continue for the foreseeable future and will, where necessary, be increased to enable the company to continue normal trading operations. The accounts are therefore prepared on a going concern basis. The financial statements are prepared in sterling, which is the functional currency of the entity. (b) Going concern In March 2020 the UK was impacted by the outbreak of Covid-19. The Government imposed significant restrictions at that time in an effort to manage the spread of the virus which resulted in the company having to review and change its working practices to ensure compliance with these restrictions. At the date of signing these financial statements, the directors have considered the effect of the Coronavirus pandemic on the company with the information available to it and do not believe that it will affect the ability of the company to continue to trade for the foreseeable future. On this basis, the directors have prepared these financial statements on a going concern basis. (c) Revenue recognition Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably. (d) Current & deferred tax The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference. (e) Intangible assets Intellectual Property is valued at cost less amortisation.

#### (f) Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Intellectual Property	-	10 years Straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

**(g) Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.



**(h) Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Property	-	50 years Straight line
Plant & Machinery	-	10% straight line
Fixtures & Fittings	-	33% straight line
Motor Vehicles	-	25% straight line

**(i) Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

**(j) Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition. Work in progress is valued on the basis of direct costs plus attributable overheads based on a normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

**(k) Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

**(l) Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

**(m) Financial instruments**

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

**(n) Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

**4. Employee numbers**

The average number of persons employed by the company during the year amounted to 18 (2019: 22 ).

## 5. Intangible assets

	Intellectual Property £
<b>Cost</b>	
At 1 January 2020 and 31 December 2020	47,331
<b>Amortisation</b>	
At 1 January 2020	40,480
Charge for the year	4,657
<b>At 31 December 2020</b>	<b>45,137</b>
<b>Carrying amount</b>	
At 31 December 2020	2,194
At 31 December 2019	6,851

## 6. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2020	450,000	501,134	29,346	10,495	990,975
Additions	—	4,240	—	—	4,240
Disposals	—	( 209,529)	—	( 10,495)	( 220,024)
<b>At 31 December 2020</b>	<b>450,000</b>	<b>295,845</b>	<b>29,346</b>	<b>—</b>	<b>775,191</b>
<b>Depreciation</b>					
At 1 January 2020	20,000	281,191	29,346	9,620	340,157
Charge for the year	5,000	44,035	—	875	49,910
Disposals	—	( 156,247)	—	( 10,495)	( 166,742)
Impairment losses	25,000	—	—	—	25,000
<b>At 31 December 2020</b>	<b>50,000</b>	<b>168,979</b>	<b>29,346</b>	<b>—</b>	<b>248,325</b>
<b>Carrying amount</b>					
At 31 December 2020	400,000	126,866	—	—	526,866
At 31 December 2019	430,000	219,943	—	875	650,818

## 7. Debtors

	2020 £	2019 £
Trade debtors	39,308	140,908
Deferred tax asset	25,000	—
Prepayments	12,514	19,631
Amounts recoverable on contracts	98,184	78,320
Other debtors	—	200
	<b>175,006</b>	<b>239,059</b>

**8. Creditors: amounts falling due within one year**

	<b>2020</b>	2019
	<b>£</b>	£
Trade creditors	<b>118,318</b>	154,637
Amounts owed to group undertakings	<b>300,660</b>	434,679
Accruals and deferred income	<b>24,878</b>	24,000
Social security and other taxes	<b>21,665</b>	25,465
Obligations under finance leases and hire purchase contracts	<b>60,252</b>	60,758
Other loans	<b>5,952</b>	13,095
Other creditors	<b>36</b>	1,169
	<b>531,761</b>	713,803

Other loans are secured by fixed and floating charges over assets held by the company. Hire purchase liabilities are secured on the associated assets.

**9. Creditors: amounts falling due after more than one year**

	<b>2020</b>	2019
	<b>£</b>	£
Accruals and deferred income	<b>39,338</b>	53,181
Obligations under finance leases and hire purchase contracts	<b>117,523</b>	173,845
	<b>156,861</b>	227,026

The other loans are secured by fixed and floating charges over assets held by the company. Hire purchase liabilities are secured on the associated assets.

**10. Summary audit opinion**

The auditor's report for the year ended 31 December 2020 was dated 28 September 2021 and was unqualified.

The senior statutory auditor was Adrian Carroll FCA, for and on behalf of Townends Accountants LLP .

**11. Related party transactions**

As a subsidiary of Bradbury Group Limited, the company has taken advantage of the exemptions not to disclose transactions with other members of the Group headed by Bradbury Group Limited.

**12. Ultimate parent company**

The company is a wholly owned subsidiary of Bradbury Group Limited a company registered in England whose registered office is Atkinson Way, Foxhills Industrial Estate, Scunthorpe . The ultimate controlling party of Bradbury Group Limited is Mr T M Strawson .

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.