Company Registration No. 01879474 (England and Wales)

PAXTON ACCESS LIMITED

AMENDED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

PAXTON ACCESS LIMITED

COMPANY INFORMATION

Directors	A Brotherton-Ratcliffe A Stroud P Bannister G O'Hara V Parekh P Rawlinson N O'Donnell S Brotherton-Ratcliffe
Company number	01879474
Registered office	Paxton House Home Farm Road Brighton East Sussex BN1 9HU
Auditor	Humphrey & Co Audit Services Ltd 7-9 The Avenue Eastbourne East Sussex BN21 3YA
Business address	Paxton House Home Farm Road Brighton East Sussex BN1 9HU
Bankers	HSBC Bank plc 153 North Street Brighton East Sussex BN1 1SW

PAXTON ACCESS LIMITED

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PAXTON ACCESS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

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

Fair review of the business
2020 was a challenging year to the whole world, and Paxton was no different.

In brief, the company shrank during the year, with turnover decreasing by 12.3% (2019: 13.8% growth) and gross profit by 13.1% (2019: 11.0% growth). At the same time administrative expenses decreased by 16.6% (2019: 12.6% growth). As a result of the savings identified net profit for the year before tax ended up at £3,320,485 (2019: £1,085,476). The company's net worth at the end of the year was £18,502,480 (2019: £15,162,995).

The company operates in a highly competitive market. In order to maintain and improve its position in this market, and despite the ongoing pandemic, substantial investment has continued to be made by the company in research and development. This investment is made both for improving existing products and creating new innovative products for the market with a focus on providing returns over the longer term.

The company did not enter any new markets in the year, instead looking to cultivate the overseas markets already entered into, with particular focus on the US.

Going concern
The impact of COVID-19 on the economy in 2020 has raised uncertainties for all companies, and Paxton is no different.

The company is fortunate to benefit from the strong support from its owners and financial resilience developed through working with the key managerial stakeholders.

Environmental matters
The company is committed to being environmentally responsible and has shown this in achieving the ISO 14001:2015 accreditation for its factory in Eastbourne in February 2018 and passing the audit for this in the past 3 years. The company continuously reviews its policies and capital to see where environmental improvements can be made and has installed charge-points for plug in hybrid cars to encourage the use of low emission vehicles. As well as this, the company has a cross company environmental group to track and report on environmental initiatives.

Social and Community Issues
The company take social and community issues seriously and has arranged multiple charity days through the year to generate donation income for selected charities.

Principal risks and uncertainties

i. The company's business is partly speculative, in that it is not known which new products will succeed, even though sales trends for existing products are known. The directors cannot give any undertaking as to the success or otherwise of new products yielded by its research and development work. There is therefore a significant risk inherent with expenditure related to this.

ii. The directors are not privy to new products currently in development by the company's competitors; there is therefore a risk that sales of its own products may suffer in the future as a result of unknown improvements in competitors' products.

iii. The company is typical of many companies of its type in that it is heavily reliant on IT systems. Whilst the directors diligently review and improve measures for ensuring resilience of its systems and back up of its data, they cannot absolutely ensure that failures will not damage the company's business at some point. In order to mitigate this risk the company continues to invest heavily in its IT infrastructure.

iv. Sales to the company's customers are made on a credit basis. Trade debtors amount to a substantial sum. Mindful of the current credit conditions affecting all companies, including our customers, there is an increased awareness regarding the importance of adherence to our credit terms. The board has satisfied itself that its customers are financially sound and will continue to be able to fund their debt for the foreseeable future. There is continued focus on strong credit management to ensure timely payment from customers and a healthy corporate liquidity position.

v. The current state of the global economy and the ability of installers to install our products. The current Covid-19 pandemic resulted in a complete lockdown in our largest markets in 2020 resulting in a loss of revenue in this period. During this period, the company has been able to support its staff through the governments Coronavirus job retention scheme and minimise the impact of this uncertainty. The management of the company will continue to act responsibly to manage any future uncertainty related to this.

S172 Statement

Duty to promote the success of the company

The directors consider the successful running of the company in terms of achieving its long-term strategy which centres on building a resilient company that is great to work for and known for the quality of our products. The ongoing success of the company centres around positive and effective dealings with all the stakeholders of the company and the directors were mindful of the long terms consequences of key commercial decisions made during the year, and determined that these were in the interests of the company's owner, employees, agency staff, contractors, customers, installers, suppliers, local universities and other stakeholders, as they were all aligned with the company's strategy.

The principal decisions made in the year were:

- To make significant investment in making our premises Covid-19 secure so we could continue to operate in a safe manner through the worst of the pandemic
- To make it possible at short notice for the majority of the work force to work effectively from home upon the first national lockdown in the UK
- To prepare for the UK leaving the European Union from both a supplier and customer perspective

As set out in the directors' report, the company takes employee involvement very seriously and we ensure we engage with our staff at all levels on a wide range of matters. The company also regularly engages with its distributors, installers, and suppliers to maintain these important relationships.

The directors confirm that throughout the year they have acted in the way they consider, in good faith, to be most likely to promote the continued success of the company for the benefit of its members.

On behalf of the board

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V Parekh

Director

Date: 14/8/2021

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

Principal activities
The principal activity of the company is the manufacture and distribution of electronic access control systems.

Results and dividends
The results for the year are set out on page 12.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

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

A Brotherton-Ratcliffe
A Stroud
P Bannister
G O'Hara
V Parekh
P Rawlinson
N O'Donnell
S Brotherton-Ratcliffe

Financial instruments
Treasury operations and financial instruments
The company operates a treasury function which is responsible for managing the liquidity, interest and foreign currency risks associated with the company's activities.

The company's principal financial instruments are cash balances. In addition, the company has various other financial assets and liabilities such as trade debtors and creditors arising directly from its operations.

Liquidity risk
Interest rate risk
Interest rate risk arises from cash balances, bank overdrafts and loans. The directors continually review the company's exposure to interest rates and take action to ensure that the risk is appropriate in relation to the financial results of the company.

Foreign currency risk
The company's principal foreign currency exposures arise from trading with overseas companies. Dollar and Euro bank accounts are maintained in order to try and mitigate foreign currency risk.

Credit risk
The company has implemented policies that require appropriate credit checks on potential customers before sales are made. In addition the company has insured its risk of debtor irrecoverability.

Research and development
The company is heavily committed to research and development activities. During the year the company concentrated its research and development activities on both continuous improvement on its current product portfolio as well as diversification into other market sectors.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The company is conscious of the need to keep employees informed regarding the progress and future plans of the company and the mutual benefit that can be engendered by good internal communications. This is achieved through regular meetings with managers and staff and an open forum in which a two-way flow of comment and ideas is encouraged. An example of this is the Paxton Exchange which offers senior management the opportunity to communicate the company goals and achievements to all members of staff. A significant amount of time and money is invested in employee training in the company and is available to all levels of staff. The Paxton Seagull, the staff newsletter, is a further commitment to the concept of improving communications within the company. The company is committed to providing a fantastic company culture for all its staff members.

Business relationships

The directors consider the fostering of good relationships with all stakeholders as essential for the ongoing success of the company. In that regard they have always considered the impact on the suppliers, customers, end users, staff and others of all decisions made. Key decisions, and their impact on specific groups, have been summarised in the s172 statement included on both our website and in the strategic report.

Future developments

The company is continuing to develop its overseas marketing and sales strategy and the directors expect that this will contribute to an increase in profitability.

Auditor

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

Energy and carbon report

The company has consumed more than 40,000 kWh of energy in this reporting period and is required to report on its emissions, energy consumption or energy efficiency activities.

Energy consumption	**kWh**	**kWh**
Aggregate of energy consumption in the year		
- Gas combustion	143,333	
- Fuel consumed for transport	829,989	
		973,322

Emissions of CO2 equivalent	**Metric tonnes**	**Metric tonnes**
Scope 1 - direct emissions		
- Gas combustion	25.52	
- Fuel consumed for owned transport	-	
		25.52
Scope 2 - indirect emissions		
- Electricity purchased		193.50
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the company		-
Total gross emissions		219.02
Intensity ratio		
kWh per sq ft per year and kWh per £k produced		11.54

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total kilowatt hours per square foot for the offices and total kilowatt hours per £1,000 produced for the factory and warehouse.

The ratios for each site were:-
Paxton House - 11.28 kWh per square foot per year
Paxton Technology Centre - 8.73 kWh per square foot per year
Brampton Road - 22.32 kWh per £1,000 produced
Harvington Road - 3.83 kWh per £1,000 produced

Measures taken to improve energy efficiency

In the Eastbourne factory we have installed automatic doors to help retain the heat.

In the Brighton offices during the COVID-19 restrictions we completed power downs of all non-essential equipment and closed our offices between 23rd March 2020 to 26th May 2020.

From 26th May 2020 buildings were partially opened with staff numbers limited to 60 personnel. Areas vacated by people working from home were closed off and isolated via our building management software.

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

....

V Parekh

Director

Date: 14/8/2021

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors are responsible for preparing the Strategic Report, 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PAXTON ACCESS LIMITED

Opinion

We have audited the revised financial statements of Paxton Access Limited (the 'company') for the year ended 31 December 2020 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. These revised financial statements replace the original financial statements approved by the directors on 7 June 2021. 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). The revised financial statements have been prepared under the Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date the original financial statements were approved.

In our opinion the financial statements:

- give a true and fair view, seen as at the date the original financial statements were approved, of the state 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 seen as at the date the original financial statements were approved; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008.

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.

Emphasis of matter - inclusion of directors' remuneration note

We draw attention to note 26 to these revised financial statements which describes the need for revision of the financial statements to include a note on directors' remuneration. The original financial statements were approved on 7 June 2021 and our previous audit report was signed on 7 June 2021. We have not performed a subsequent events review for the period from the date of our previous auditor's report to the date of this report. Our opinion is not modified in this respect.

Conclusions relating to going concern

In auditing the revised 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 original 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 revised 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 revised 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 revised 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 revised 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 revised financial statements are prepared is consistent with the revised financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In our opinion, the original financial statements for the year ended 31 December 2020 failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors in note 26 to the revised financial statements.

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

Responsibilities of directors

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud
We obtained an understanding of the company and the laws and regulations that could reasonably be expected to have a direct effect on the financial statements through discussion with the directors and management and the application of our knowledge and experience. We discussed with management whether there were any known or suspected instances of fraud and/or non-compliance with relevant laws and regulations. We also obtained an understanding of the company's accounting systems and internal controls.

We audited the risk of management override of controls, by testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business. Our other audit procedures included, but were not limited to, attending a year end stock count, carrying out detailed substantive testing of a sample of income and expenditure transactions arising in the year and a sample of balance sheet items such as fixed assets, debtors, creditors, etc. We also reviewed the financial statements and checked disclosures to supporting documentation to assess compliance with applicable law and regulation.

Because of the inherent risk 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. The 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 is greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion omission or misrepresentation.

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.

We are also required to report whether in our opinion the original financial statements failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors. The audit of revised financial statements includes the performance of procedures to assess whether the revisions made by the directors are appropriate and have been properly made.

Use of our report
This report is made solely to the company's members, as a body, in accordance with the Companies (Revision of Defective Accountsand Reports) Regulations 2008. 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.

Mr Michael Macefield (Senior Statutory Auditor)
For and on behalf of Humphrey & Co Audit Services Ltd

24/08/21

Chartered Accountants
Statutory Auditor

7-9 The Avenue
Eastbourne
East Sussex
BN21 3YA

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Turnover	3	45,096,360	51,460,690
Cost of sales		(19,736,768)	(22,274,115)
Gross profit		25,359,592	29,186,575
Administrative expenses		(24,079,557)	(28,870,920)
Other operating income		2,076,728	820,388
Operating profit	4	3,356,763	1,136,043
Interest payable and similar expenses	8	(36,278)	(50,567)
Profit before taxation		3,320,485	1,085,476
Tax on profit	9	19,000	420,000
Profit for the financial year		3,339,485	1,505,476

The income statement has been prepared on the basis that all operations are continuing operations.

PAXTON ACCESS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Profit for the year	3,339,485	1,505,476
Other comprehensive income	-	-
Total comprehensive income for the year	3,339,485	1,505,476

PAXTON ACCESS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Intangible assets	10		282,067		305,071
Tangible assets	11		2,260,801		3,156,244
			2,542,868		3,461,315
Current assets					
Stocks	12	4,424,208		4,459,241	
Debtors falling due after more than one year	13	2,342,000		2,323,000	
Debtors falling due within one year	13	12,831,230		13,039,204	
Cash at bank and in hand		6,764,820		1,824,337	
		26,362,258		21,645,782	
Creditors: amounts falling due within one year	14	(9,645,545)		(9,032,623)	
Net current assets			16,716,713		12,613,159
Total assets less current liabilities			19,259,581		16,074,474
Creditors: amounts falling due after more than one year	15		(514,101)		(668,479)
Provisions for liabilities					
Provisions	17	243,000		243,000	
			(243,000)		(243,000)
Net assets			18,502,480		15,162,995
Capital and reserves					
Called up share capital	20		200,001		200,001
Profit and loss reserves			18,302,479		14,962,994
Total equity			18,502,480		15,162,995

The financial statements were approved by the board of directors and authorised for issue on 14/08/2021 and are signed on its behalf by:

....
V Parekh
Director

Company Registration No. 01879474

PAXTON ACCESS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2019	200,001	13,457,518	13,657,519
Year ended 31 December 2019:			
Profit and total comprehensive income for the year	-	1,505,476	1,505,476
Balance at 31 December 2019	200,001	14,962,994	15,162,995
Year ended 31 December 2020:			
Profit and total comprehensive income for the year	-	3,339,485	3,339,485
Balance at 31 December 2020	200,001	18,302,479	18,502,480

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities					
Cash generated from operations	**24**		5,360,261		740,198
Interest paid			(36,278)		(50,567)
Net cash inflow from operating activities			5,323,983		689,631
Investing activities					
Purchase of intangible assets		(105,824)		(89,046)	
Purchase of tangible fixed assets		(177,598)		(795,214)	
Net cash used in investing activities			(283,422)		(884,260)
Financing activities					
Payment of finance leases obligations		(100,078)		(213,641)	
Net cash used in financing activities			(100,078)		(213,641)
Net increase/(decrease) in cash and cash equivalents			4,940,483		(408,270)
Cash and cash equivalents at beginning of year			1,824,337		2,232,607
Cash and cash equivalents at end of year			6,764,820		1,824,337

1 Accounting policies

Company information

Paxton Access Limited is a private company limited by shares incorporated in England and Wales. The registered office is Paxton House, Home Farm Road, Brighton, East Sussex, BN1 9HU.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The impact of Covid-19 on the economy in 2020 has raised uncertainties for all companies and Paxton is no different. The pandemic resulted in a lockdown in the company's largest markets resulting in a loss of revenue in 2020. However, as lockdowns have started to ease since the year end revenues have increased and are now ahead of budget due to a pent up demand for the company's products. The directors are confident that sales will continue to pick up and that the company will trade at a profit in the current financial year.

The company benefits from the support of its owners and financial resilience developed through working with key managerial stakeholders. 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.

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 Accounting policies **(Continued)**

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.

Intangible assets comprise of product development costs. Such assets are considered to have a finite useful life and the costs are amortised on a reducing balance basis over their estimated useful life. Intangible assets are stated at cost less amortisation and are reviewed for impairment whenever there is an indication that the carrying value may be impaired.

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:

Development Costs	33% reducing balance and 33% straight line

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:

Freehold	No depreciation
Leasehold improvements	20% reducing balance and 20% straight line
Plant and machinery	20% reducing balance and 20%/33% straight line
Fixtures, fittings & equipment	20% reducing balance & 20%/25%/33% 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 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.

1 Accounting policies **(Continued)**

1.8 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.

The cost of stock is based on an average cost basis, where the actual cost of stock purchased to obtain the quantity held is identified and an average cost calculated.

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.

1.9 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.

1.10 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 statement of financial position 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.

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.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

1 Accounting policies **(Continued)**

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.

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.

1 Accounting policies **(Continued)**

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.

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

1.11 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.

1.12 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.

1.13 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 income statement 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 income statement, 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 Accounting policies **(Continued)**

1.14 Provisions

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

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 statement of financial position 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.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

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 Accounting policies **(Continued)**

1.19 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at a fixed rate that is used as an approximation for the actual rate. The fixed rates used are reviewed periodically. All differences are taken to profit and loss account.

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.

Critical judgements

The critical judgments which have the most significant impact on amounts recognised in the financial statements are as follows:

Stock provisioning

Provision is made where necessary for obsolete, slow moving and defective stocks. The directors review the level of the provision based on the level and condition of stock items and their knowledge of the business.

Warranty provisioning

The company provides a 5 year warranty on its products. A provision for expected warranty claims is calculated based on prior experience of levels of warranty claims incurred and future expectations.

Useful life of fixed assets

The directors estimate the expected useful lives of the company's fixed assets which in turn impacts on the amount of depreciation charged in the year.

Deferred Tax Asset

The directors estimate the amount of deferred tax that is likely to be recovered by the likely availability of future taxable profits.

Key sources of estimation uncertainty

In the opinion of the directors there are no estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

3 Turnover and other revenue

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

	2020	2019
	£	£
Turnover analysed by class of business		
Electronic access control systems	45,096,360	51,460,690

	2020	2019
	£	£
Other significant revenue		
Grants received	1,503,409	-

	2020	2019
	£	£
Turnover analysed by geographical market		
UK	27,420,606	32,576,560
Europe	8,855,471	9,246,387
Rest of world	8,820,283	9,637,743
	45,096,360	51,460,690

4 Operating profit

	2020	2019
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	37,103	101,761
Research and development costs	587,081	1,341,925
Government grants	(1,503,409)	-
Depreciation of owned tangible fixed assets	854,897	1,032,451
Loss on disposal of tangible fixed assets	218,144	131,910
Amortisation of intangible assets	117,148	126,230
Loss on disposal of intangible assets	11,680	-
Operating lease charges	1,132,601	1,393,992

5 Auditor's remuneration

Fees payable to the company's auditor and associates:	2020 £	2019 £
For audit services		
Audit of the financial statements of the company	26,000	25,000
For other services		
Taxation compliance services	2,000	1,500
All other non-audit services	4,000	3,500
	6,000	5,000

6 Employees

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

	2020 Number	2019 Number
Administration	227	230
Production	59	60
Cleaning	2	2
Total	288	292

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	11,451,370	11,843,439
Social security costs	1,343,505	1,525,849
Pension costs	1,131,495	1,184,622
	13,926,370	14,553,910

7 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	1,821,744	2,734,513
Company pension contributions to defined contribution schemes	129,066	202,073
	1,950,810	2,936,586

7 Directors' remuneration **(Continued)**

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 7 (2019 - 8).

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

	2020	2019
	£	£
Remuneration for qualifying services	453,875	973,257
Company pension contributions to defined contribution schemes	15,655	28,264

8 Interest payable and similar expenses

	2020	2019
	£	£
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	36,278	50,567

9 Taxation

	2020	2019
	£	£
Deferred tax		
Origination and reversal of timing differences	(19,000)	(420,000)

The actual credit 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:

	2020	2019
	£	£
Profit before taxation	3,320,485	1,085,476
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	630,892	206,240
Tax effect of expenses that are not deductible in determining taxable profit	22,575	87,287
Effect of change in corporation tax rate	(273,294)	49,411
Research and development tax credit	(399,173)	(762,938)
Taxation credit for the year	(19,000)	(420,000)

10 Intangible fixed assets

	Development Costs
	£
Cost	
At 1 January 2020	755,968
Additions - internally developed	105,824
Disposals	(94,221)
At 31 December 2020	767,571
Amortisation and impairment	
At 1 January 2020	450,897
Amortisation charged for the year	117,148
Disposals	(82,541)
At 31 December 2020	485,504
Carrying amount	
At 31 December 2020	282,067
At 31 December 2019	305,071

11 Tangible fixed assets

	Freehold	Leasehold improvements	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2020	5,000	805,384	4,577,482	2,125,512	7,513,378
Additions	-	82,366	64,647	30,585	177,598
Disposals	-	-	(379,426)	(112,678)	(492,104)
At 31 December 2020	5,000	887,750	4,262,703	2,043,419	7,198,872
Depreciation and impairment					
At 1 January 2020	-	472,345	2,477,977	1,406,812	4,357,134
Depreciation charged in the year	-	123,988	414,019	316,890	854,897
Eliminated in respect of disposals	-	-	(196,804)	(77,156)	(273,960)
At 31 December 2020	-	596,333	2,695,192	1,646,546	4,938,071
Carrying amount					
At 31 December 2020	5,000	291,417	1,567,511	396,873	2,260,801
At 31 December 2019	5,000	333,039	2,099,505	718,700	3,156,244

11 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.

	2020 £	2019 £
Plant and machinery	577,426	721,783

12 Stocks

	2020 £	2019 £
Raw materials and consumables	129,061	126,989
Finished goods and goods for resale	4,295,147	4,332,252
	4,424,208	4,459,241

13 Debtors

Amounts falling due within one year:	2020 £	2019 £
Trade debtors	8,192,463	10,026,001
Amounts owed by group undertakings	3,025,846	2,601,156
Other debtors	1,103,350	8,276
Prepayments and accrued income	509,571	403,771
	12,831,230	13,039,204

Amounts falling due after more than one year:	2020 £	2019 £
Deferred tax asset (note 18)	2,342,000	2,323,000
Total debtors	15,173,230	15,362,204

Trade debtors disclosed above are measured at amortised cost.

14 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Obligations under finance leases	16	271,875	217,575
Trade creditors		6,661,967	5,454,016
Amounts owed to group undertakings		800,138	492,355
Taxation and social security		1,262,945	1,315,979
Accruals and deferred income		648,620	1,552,698
		9,645,545	9,032,623

15 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Obligations under finance leases	16	514,101	668,479

16 Finance lease obligations

Future minimum lease payments due under finance leases:	2020 £	2019 £
Within one year	271,875	217,575
In two to five years	514,101	668,479
	785,976	886,054

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 12 months. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

17 Provisions for liabilities

	2020 £	2019 £
Warranty repairs	243,000	243,000

Movements on provisions:

	Warranty repairs £
At 1 January 2020 and 31 December 2020	243,000

17 Provisions for liabilities **(Continued)**

The provision for warranty claims is a provision for future product costs arising in the normal course of business from prior year sales. The company provides a 5 year warranty on its products.

18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

Balances:	**Assets 2020 £**	**Assets 2019 £**
ACAs	138,108	84,246
Tax losses	2,203,892	2,219,925
Retirement benefit obligations	-	18,829
	2,342,000	2,323,000

Movements in the year:	**2020 £**
Asset at 1 January 2020	(2,323,000)
Credit to profit or loss	(19,000)
Asset at 31 December 2020	(2,342,000)

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. None of the deferred tax asset is expected to reverse in the next 12 months.

Deferred tax balances have been measured at 19% (2019 - 17%).

19 Retirement benefit schemes

Defined contribution schemes	**2020 £**	**2019 £**
Charge to profit or loss in respect of defined contribution schemes	1,131,495	1,184,622

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.

20 Share capital

Ordinary share capital	**2020 Number**	**2019 Number**	**2020 £**	**2019 £**
Issued and fully paid				
Ordinary shares of £1 each	200,001	200,001	200,001	200,001

21 Operating lease commitments

Lessee

Operating lease payments consist of rentals payable by the company for motor vehicles and for payments to its parent company for its leasehold properties. The property leases are for a term of 10 years and motor vehicle leases are generally for a term of 3 years.

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:

	2020	2019
	£	£
Within one year	649,588	692,344
Between two and five years	1,275,865	1,615,368
In over five years	7,797	211,065
	1,933,250	2,518,777

22 Related party transactions

Guarantees

The company has entered into an unlimited cross guarantee with other group companies such that it will guarantee the lending of those other group companies should they be unable to meet their liabilities as and when they fall due. At 31 December 2020 the maximum potential exposure was £9,759,952 (2019 - £10,407,060). The company has also provided a guarantee of £300,000 to H M Revenue & Customs. No liability is expected to arise as a result of these arrangements.

23 Ultimate controlling party

The parent company of Paxton Access Limited is Paxton Access Group Limited.

The ultimate controlling party is A Brotherton Ratcliffe, a director of the company.

Paxton Access Group Limited is the parent undertaking of the largest and smallest group to consolidate these financial statements. Copies of the accounts can be obtained from Companies House.

24 Cash generated from operations

	2020	2019
	£	£
Profit for the year after tax	3,339,485	1,505,476
Adjustments for:		
Taxation credited	(19,000)	(420,000)
Finance costs	36,278	50,567
Loss on disposal of tangible fixed assets	218,144	131,910
Loss on disposal of intangible assets	11,680	-
Amortisation and impairment of intangible assets	117,148	126,230
Depreciation and impairment of tangible fixed assets	854,897	1,032,451
Movements in working capital:		
Decrease in stocks	35,033	1,288,636
Decrease/(increase) in debtors	207,974	(2,923,274)
Increase/(decrease) in creditors	558,622	(51,798)
Cash generated from operations	5,360,261	740,198

25 Analysis of changes in net funds

	1 January 2020	Cash flows	31 December 2020
	£	£	£
Cash at bank and in hand	1,824,337	4,940,483	6,764,820
Obligations under finance leases	(886,054)	100,078	(785,976)
	938,283	5,040,561	5,978,844

26 Revised Financial Statements

These revised financial statements replace the original financial statements for the year ended 31 December 2020. They are now the statutory financial statements of the limited company for that year. They have been prepared as at the date of the original financial statements and not as at the date of revision and accordingly do not deal with events between those dates.

The original financial statements did not comply with the Companies Act 2006 as details of directors' remuneration had not been disclosed.