

Newbridge Software Ltd

Unaudited Financial Statements
for the Year Ended 31 December 2019

Newbridge Software Ltd

(Registration number: 10503724) Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>4</u>	14,014	23,302
Current assets			
Debtors	<u>5</u>	88,485	65,115
Cash at bank and in hand		<u>26,964</u>	<u>52,325</u>
		115,449	117,440
Creditors: Amounts falling due within one year	<u>6</u>	<u>(841,732)</u>	<u>(547,574)</u>
Net current liabilities		<u>(726,283)</u>	<u>(430,134)</u>
Net liabilities		<u>(712,269)</u>	<u>(406,832)</u>
Capital and reserves			
Called up share capital	<u>8</u>	100	100
Profit and loss account		<u>(712,369)</u>	<u>(406,932)</u>
Total equity		<u>(712,269)</u>	<u>(406,832)</u>

For the financial year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 20 May 2020 and signed on its behalf by:

Mr D Green
Director

The notes on pages 2 to 7 form an integral part of these financial statements.

Newbridge Software Ltd

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

20 Centre Court

Treforest Industrial Estate

Pontypridd

CF37 5YR

United Kingdom

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis.

The company incurred a loss of £305,437 (2018: £181,325) for the financial period ended 31 December 2019, and as at that date, the company had a profit and loss reserve deficit of £712,369 (2018: £406,932).

As at the 31 December 2019, the company owed the directors £794,112 (2018: £521,742). This debt will not be recalled unless the repayments are within the financial constraints of Newbridge Software Limited.

The directors believe that it is appropriate to prepare the financial statements on a going concern basis as the directors have committed to support the company for the next 12 months from the date the financial statements were signed.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Motor vehicles	25% - Straight line
Office equipment	25% - Straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial Instruments

Classification

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

Debt instruments are subsequently measured at amortised cost.

Impairment

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 9 (2018 - 6).

4 Tangible assets

	Furniture, fittings and equipment	Motor vehicles	Total
	£	£	£
Cost or valuation			
At 1 January 2019	8,780	32,541	41,321
Additions	1,031	-	1,031
At 31 December 2019	9,811	32,541	42,352
Depreciation			
At 1 January 2019	2,797	15,222	18,019
Charge for the year	2,184	8,135	10,319
At 31 December 2019	4,981	23,357	28,338
Carrying amount			
At 31 December 2019	4,830	9,184	14,014
At 31 December 2018	5,983	17,319	23,302

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

5 Debtors

	2019 £	2018 £
Trade debtors	46,289	27,481
Prepayments	5,599	2,565
Other debtors	36,597	35,069
	88,485	65,115
	88,485	65,115

6 Creditors

Creditors: amounts falling due within one year

	2019 £	2018 £
Due within one year		
Trade creditors	38,358	14,479
Taxation and social security	6,065	9,151
Accruals and deferred income	2,625	1,644
Other creditors	794,684	522,300
	841,732	547,574
	841,732	547,574

7 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2019 £	2018 £
Not later than one year	2,215	6,901
Later than one year and not later than five years	-	7,309
	2,215	14,210
	2,215	14,210

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Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

8 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary A Shares of £1 each	85	85	85	85
Ordinary B Shares of £1 each	15	15	15	15
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

9 Non adjusting events after the financial period

Subsequent to the year end the worldwide economy has been affected by the Covid-19 virus outbreak, affecting the trading ability of the company. The directors believe that at the date of signing the financial statements the company had adequate cash reserves, to meet its liabilities as and when they fall due.

Therefore the directors confirm that financial statements have been prepared on a going concern basis.

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